



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

Official Report
(Hansard)

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The Honourable Louise M. Dacquay
Speaker*



MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

Member	Constituency	Political Affiliation
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.
EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
FAURSCHOU, David	Portage la Prairie	P.C.
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.
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.
Vacant	Charleswood	

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, March 11, 1998

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Winnipeg Hospitals Food Services—Privatization

Mr. Doug Martindale (Burrows): Madam Speaker, I beg to present the petition of Lillian Zagonchuk, Sophie Kruk, Dan Didur and others praying that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health (Mr. Praznik) to consider immediately cancelling the hospital food proposal and concentrate on delivering quality health care instead of using health dollars to provide contracts for private firms.

Ms. Marianne Cerilli (Radisson): Madam Speaker, I beg to present the petition of Rose Kochuk, Ray Kochuk and Cheryl Kochuk and others praying that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health to consider immediately cancelling the hospital food proposal and concentrating on delivering quality health care instead of using health dollars to provide contracts for private firms.

READING AND RECEIVING PETITIONS

Winnipeg Hospitals Food Services—Privatization

Madam Speaker: I have reviewed the petition of the honourable member for Burrows (Mr. Martindale). 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 the provincial government has embarked upon a project in which it is closing hospital kitchens and having hospital food transported in from Toronto for reheating; and

WHEREAS this proposal will not improve the quality of food but will cost hundreds of jobs to the provincial economy; and

WHEREAS on December 8th of 1997, the provincial cabinet staged a photo opportunity for the media in which government MLAs were served chicken breast from a chef flown in from Toronto for the occasion while the actual meal served residents that night was macaroni and peas; and

WHEREAS this proposal will result in more health care dollars being spent on questionable privatization projects; and

WHEREAS in December of 1997, the provincial government was forced to drop a similar privatization scheme involving home care which had been opposed by the clients, families and the public; and

WHEREAS once again the provincial government without consultation has committed itself to a privatization project which will likely cost taxpayers more money for a poorer quality service, thus forgetting the patients who deserve better care.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health to consider immediately cancelling the hospital food proposal and concentrate on delivering quality health care instead of using health dollars to provide contracts for private firms.

Madam Speaker: I have reviewed the petition of the honourable member for Point Douglas (Mr. Hickes). 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.

THAT the Urban Shared Services Corporation (USSC) has announced plans to privatize laundry, food services and purchasing for the Winnipeg hospitals; and

THAT it is estimated that more than 1,000 health care jobs will be lost over the next year as a result, with many more privatized in the next two or three years; and

THAT under the terms of the contract, Ontario businesses will profit at the expense of Manitoba's health care system; and

THAT after construction of a food assembly warehouse in Winnipeg, chilled, prepared food will be shipped in from Ontario, then assembled and heated before being shipped to the hospitals; and

THAT people who are in the hospital require nutritious and appetizing food; and

THAT the announced savings as a result of the contract have been disputed, and one study by Wintemute Randle Kilimnik indicated that, "A considerable number of studies have compared costs of service delivery in health care between self-operation (public sector) and privatization. Invariably, privatization is more expensive."; and

THAT no one in Manitoba seems to benefit from this contract, especially patients.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba urge the Minister of Health to put an end to the centralization and privatization of Winnipeg hospital food services.

* (1335)

PRESENTING PETITIONS

Winnipeg Hospitals Food Services–Privatization

Madam Speaker: Is there leave of the House to revert to Presenting Petitions? [agreed]

Mr. Conrad Santos (Broadway): Madam Speaker, I beg to present the petition of Donna Pacholok, Michael Desautels, Russ Wyatt and others praying that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health (Mr. Praznik) to consider immediately cancelling the hospital food proposal and concentrate on delivering quality health care instead of

using health dollars to provide contracts for private firms.

TABLING OF REPORTS

Hon. Vic Toews (Minister of Justice and Attorney General): Madam Speaker, I am pleased to table the Office of the Chief Medical Examiner Annual Report 1996 for the Department of Justice, copies of which have been previously distributed.

INTRODUCTION OF BILLS

Bill 20—The Medical Amendment Act

Hon. Darren Praznik (Minister of Health): Madam Speaker, I would move, seconded by the honourable Minister of Agriculture (Mr. Enns), that leave be given to introduce Bill 20, The Medical Amendment Act; Loi modifiant la Loi médicale, and that the same be now received and read a first time.

Motion agreed to.

Bill 21—The Communities Economic Development Fund Amendment Act

Hon. David Newman (Minister charged with the administration of The Communities Economic Development Fund Act): Madam Speaker, I move, seconded by the honourable Minister of Consumer and Corporate Affairs (Mr. Radcliffe), that leave be given to introduce Bill 21, The Communities Economic Development Fund Amendment Act (Loi modifiant la Loi sur le Fonds de développement économique local), and that the same be now received and read a first time.

Motion agreed to.

Bill 22—The Veterinary Services Amendment Act

Hon. Harry Enns (Minister of Agriculture): Madam Speaker, I move, seconded by the Minister of Natural Resources (Mr. Cummings), that leave be given to introduce Bill 22, The Veterinary Services Amendment Act (Loi modifiant la Loi sur les soins vétérinaires), and that the same now be received and read a first time.

His Honour the Lieutenant Governor, having been advised of the contents of this bill, recommends it to the House. I will be tabling his message with the bill.

Motion agreed to.

Introduction of Guests

Madam Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have this afternoon fifty-five Grade 9 students from Minnetonka School under the direction of Mrs. Madeline McKenzie. This school is located in the constituency of the honourable member for Seine River (Mrs. Dacquay).

We also have thirty-one Grade 11 students from Fisher Branch Collegiate under the direction of Mr. Cliff Skibinski. This school is located in the constituency of the honourable member for Interlake (Mr. Clif Evans).

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

* (1340)

ORAL QUESTION PERIOD

Health Care System Funding

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, in February of 1995 the federal government produced a budget that we all condemned for the federal cuts in health and post-secondary education.

On March 17, 1995, the former Minister of Health in announcing the capital plans for the province of Manitoba stated, and I quote: we have a recipe for a sustainable health care system in light of the massive federal cuts here in the province of Manitoba.

On March 23, the Premier of this province in the election campaign promised \$600 million in capital for health care and said that this capital and these capital projects would go ahead in spite of the federal cuts that were made to the province of Manitoba.

Would the Premier now admit the truth in this House, that the crisis in health care is a direct result of his broken election promise and no other reason in terms of what is going on in terms of health care?

Hon. Gary Filmon (Premier): Madam Speaker, the fact of the matter is that health care is, firstly, not only the most prized area of public service in Canada today on any survey, on any poll that is done, on any questioning, but, secondly, it is also the most costly. When it was introduced, it was intended to be a 50-50 cost share between the federal government and the provinces, and it has now deteriorated as a result of successive decisions made by governments right across the board, federal governments saying that they were no longer a 50-50 partner, and of course most recently we have had massive reductions in our health care funding from Ottawa to the point that today Ottawa pays on a cash basis just over 15 percent of the costs in Manitoba. Even if you include the transfer of tax points that was done way back in the '70s, it accounts for less than a third of our costs.

That deterioration has been recognized by people from all provinces in Canada, that deterioration of federal support. It has been recognized by members of the New Democratic Party in Ottawa, Madam Speaker, and I might say most recently very strongly spoken to by Judy Wasylycia-Leis, the former Deputy Leader of this party, this New Democratic Party in this Legislature during that period of time, and she said, I might say, federal NDP Health critic Judy Wasylycia-Leis lays the blame squarely on the federal government for cutting billions out of provincial funding for health care. In the House of Commons yesterday the Winnipeg North Centre M.P. went so far as to charge that Health minister, Allan Rock, now has blood on his hands. She said, and I quote: Those massive cuts have had a ripple effect across the country and put stress on all provincial governments.

Madam Speaker, that is the issue that we are dealing with. That is what we have been attempting to do, and we have put more money in year upon year upon year. In the decade that we have been in office we have increased our funding to health care \$600 million, and so the member opposite ought to listen and consult with his federal counterparts who know the truth of the circumstances that we face.

Mr. Doer: Madam Speaker, I suggest Manitobans should not listen to this Premier who broke his election promise of 1995 after the federal budget was released some one month before, and that is the real issue: his broken promise and the crisis over a period of time where the Fiscal Stabilization Fund has grown to close to \$600 million; we have a crisis in our health care system.

Madam Speaker, I would like to table a letter from Dr. Chochinov from the emergency department of St. Boniface Hospital and he says, ". . . our status as an accredited teaching hospital is now in jeopardy, as a direct consequence of the overcrowding in the Emergency hallways with admitted medical patients."

I would like to ask the Premier, will he take responsibility of his nine years of health care neglect and broken promises in terms of the results of a hospital, a proud hospital having their status as an accredited hospital at risk because of his direct action?

Hon. Darren Praznik (Minister of Health): Madam Speaker, as the Premier (Mr. Filmon) has indicated, we as a provincial government have continued to put more and more resources into health care each year. We have done that despite having very significant reductions in our support from the national government, and we have never denied that we have run this system at its, in many cases, maximum capacity. We have had to, given those reductions from Ottawa. By the way, we have made those up, but the demands on the system grow well above the rate of inflation and we, like all provinces, have found it very difficult to keep up at that rate without support of the national government.

With respect specifically to the emergency service in Winnipeg and St. Boniface, we invested additional dollars last fall and have now built them into the budget for an agreement with our emergency doctors, there to ensure that that piece was in place and operating. One should not forget that we almost had a strike last fall in our emergency service, and we put additional dollars into emergency physicians to guarantee service.

* (1345)

Mr. Doer: Madam Speaker, three years ago this government promised, in spite of the federal cuts, \$600

million in capital, and after the election campaign they cancelled the capital. The crisis is due to this Premier's (Mr. Filmon) broken promise, solely and directly, no other place.

The St. Boniface Hospital letter goes on to say that our own infectious disease staff have cautioned us to the risks of housing patients under crowded substandard conditions, given the increasing prevalence of serious infectious disease. Will this Premier take responsibility for his broken election promise and take responsibility through his two Ministers of Health and their changing words to the people of Manitoba and deal with the crisis and deal with the people in hallways that are at risk for infectious disease and take leadership on this issue, rather than just pointing the finger somewhere else after he breaks his promise?

Mr. Praznik: Madam Speaker, there are many factors that enter into assessing health care budgets, in terms of increased demand that are difficult to assess, given during the year. That is why, during the course of last year, we went back to Treasury Board to add additional dollars into the system on an interim basis, which we have now built into our base to meet those particular needs.

There is no doubt, no one has denied that we have been pushing our system to the maximum. We have had to. Like every other provincial government in this country, we have had to do those things. Have we liked them? Not at all. Do we wish we could have been in the ground earlier? Absolutely. It is a matter of balancing the resources one has available to them, and as federal resources decline and as other needs in the health care system increase, home care, Pharmacare over those years, one has to make decisions on an interim basis.

But a major point that has to be made here is, as our fiscal situations improve, we are investing without the national government in additional beds that will ease some of that pressure in our system.

Health Care System Funding

Mr. Dave Chomiak (Kildonan): C'est triste que ni le ministre de la Santé ni le Premier ministre du Manitoba

n'a accepté la responsabilité pour la crise dans l'hôpital et aussi ils sont en train de dire que le gouvernement fédéral est seulement responsable pour la crise.

[Translation]

It is unfortunate that neither the Health minister nor the First Minister (Mr. Filmon) has accepted responsibility for the crisis in the hospital and they continue to say that the federal government alone is responsible for the crisis.

[English]

But, Madam Speaker, this letter today from the St. Boniface Hospital is unprecedented, where the head of emergency is saying to this government, and I will quote again for the minister: "... our status as an accredited teaching hospital is now in jeopardy, as a direct consequence of the overcrowding of the Emergency hallways." Further, this problem has been existing for a number of years. The minister's and the Premier's answers are totally unacceptable to Manitobans.

When will they begin to do something about this crisis, which is the result of their cutting of their capital budget?

Hon. Darren Praznik (Minister of Health): Madam Speaker, the member for Kildonan, the Leader of the Opposition (Mr. Doer), I am not quite sure in what world of government they are coming from. How could one not be involved in public affairs in this country over the last number of years and not appreciate the vast amount of money that a national government, that has pledged to a national health care system, has pulled out of that system while all our areas of costs have been increasing? The former member for St. Johns, the former deputy to the current Leader of the Opposition, acknowledged that very clearly after the federal budget. That is not to say that all blame is there, but surely to goodness any reasonable Manitoban looking at this, hearing what members opposite have to say have to recognize that you cannot pull over \$200 million out of the health care system in this province annually and expect that that is going to be made up and everything is going to be as it used to be without that money. That is just impossible. Manitobans understand that.

Mr. Chomiak: Madam Speaker, will the Minister of Health, who found \$34 million for the SmartHealth computer system or perhaps \$55 million for the Lotteries Commission to renovate casinos, not accept and not review what this letter states, which is that the only option that is being offered by St. Boniface Hospital in order to deal with the crisis is closing the emergency ward, not at present levels but prior to even exceeding the present levels because it is so acute? They are so worried about infections; there are so many difficulties. The only option is going to be regular closing of the emergency ward at St. Boniface Hospital.

* (1350)

Mr. Praznik: Madam Speaker, the members opposite have to at least acknowledge that when you pull that amount of money out of a health care system, it is going to put pressure on that system. Their own former member makes the point in Ottawa and fights the battle for national medicare and proper support. It is regrettable that we do not have members opposite as allies in that battle. It is that kind of argument, that kind of lack of recognition that leads the Prime Minister of this country to not even appreciate what in fact those policies have done to the health care systems across this country.

This letter the member brings to my attention, it was addressed to the chief executive officer of St. Boniface Hospital. Obviously, the St. Boniface Hospital will want to discuss what immediate steps can be taken to deal with some of the pressure with the Winnipeg Hospital Authority, and we will support those efforts.

Mr. Chomiak: Madam Speaker, will the minister, in reviewing this situation and whenever he starts to review this situation, not consider the fact that his much-ballyhooed Winnipeg Hospital Authority, which has hired 60 executives, has suggested in this letter the solution to the infectious disease problem, the solution to the problem is no solution? They have ordered them not to close the emergency ward, and that is their solution. No resources, no assistance, no advice, hiring of executives, and the crisis continues not just at St. Boniface but at Grace, Seven Oaks, Health Sciences Centre and throughout the city and province.

Mr. Praznik: Madam Speaker, health care is a very serious topic, and the people of Manitoba who depend

on our health care system I think deserve to have a fair argument on the facts. It is absolutely critical I think in the debates in which we engage that we be accurate in our facts.

Madam Speaker, we have not denied that our health care system has been run, in many cases, at certain times of the year certainly to its maximum capacity. We have not denied that at all. We have been trying to manage, we have put more resources, taking them out of other departments and directing them into health care, as we have been able to. We have done all of that while we have had significant reductions in our support from the national government, a government that still prances around the country trying to be the saviours of medicare and are not there, and are aided and abetted by oppositions like the one opposite who totally deny that it is a problem.

The member for Kildonan comes to this House with information about administrators that is not accurate—

An Honourable Member: It is in the letter.

Mr. Praznik: Well, the numbers that he puts to this House are not accurate, and the image he attempts to portray is not.

**Brandon General Hospital
Physician Resources—Pediatrics**

Mr. Leonard Evans (Brandon East): Madam Speaker, I have a question for the Minister of Health. As the Minister of Health should well know, there is a serious shortage of pediatricians at the Brandon General Hospital. This has been demonstrated in a recent letter addressed to the minister—and I will table a copy for the House—from a young mother in Rivers whose 10-month-old baby suffered a seizure. She rushed into the Brandon General Hospital to find that there were no pediatric services available on that day. Luckily, they happened to find a pediatrician who was there for a different purpose, and that was by sheer luck.

So the Minister of Health has known for some time that BGH has not been able to obtain pediatricians. Now I ask the minister: will the Minister of Health now consult with the Minister of Finance (Mr.

Stefanson) who said yesterday: if there is a need in our hospital system we will meet that need, and we will provide the resources when required at that particular point in time.

The minister has known about this for some time. I now ask him: will he now consult with the Minister of Finance and get the money—

Madam Speaker: Order, please. The question has been put.

* (1355)

Hon. Darren Praznik (Minister of Health): Madam Speaker, I am aware of the situation in Brandon. In fact, we have spoken to the CEO of the authority about it on a number of occasions. My office has been speaking with him about that. The issue there I do not believe necessarily is one of money; it is one of recruitment. There is a dispute between the regional health authority and the two physicians about the models for how one would pay. I understand the regional health authority did offer contract positions. Those were not acceptable. There are issues of on-call fees and fee for service that have province-wide implications that should be settled at a bargaining table with the MMA, the Manitoba Medical Association, that we hope to be entering into very, very shortly, but there is an issue of recruitment, and there is an issue of finding additional specialists in that particular field. Like the Brandon Health Authority, we are attempting to recruit physicians for those positions.

Mr. Leonard Evans: Madam Speaker, I want to ask the minister how he really expects to resolve this crisis, which is this serious problem which has been going on for some months, and answer the young woman who says that she fears for her son's safety if she had to face that situation again. How are you going to answer this young woman and others in that area who need these services, depend upon them, and a minister and a government who for months and months flounders around not coming to grips with a solution which I am sorry to say really does boil down to having sufficient funds to properly fund that health care system in Brandon?

Mr. Praznik: Madam Speaker, I take it what the member for Brandon East is saying is that any amount

of money should be paid to anybody who is prepared to come, that there should not be a proper negotiation, that fees or methods of remuneration should not be consistent across the province or be negotiated, but one should just offer whatever someone asks. That is in fact how we got into a great disparity of the manner in which emergency physicians were paid, that individual hospitals all across the province did their own deals. That fell apart.

The member implies that nothing has been done to recruit physicians. I can tell the member that through the efforts of my legislative assistant, the member for Turtle Mountain (Mr. Tweed), we embarked on a recruitment plan that had over 50 foreign doctors apply to have their credentials checked. They are being matched and being worked through the system. I have been signing their conditional registries over the last number of weeks, and the one slow part to this process has been working through the Immigration department of the federal government. So there has been a greater effort at recruiting physicians in the last while, and it has reaped great success. I hope we are going to be able to fill those slots in Brandon.

Highway Construction/Maintenance Highway 59

Mr. Neil Gaudry (St. Boniface): Madam Speaker, my question is to the Minister of Highways and Transportation. Has there been any provision in the budget to completing Highway 59 to Ile des Chenes in the present budget?

Hon. Glen Findlay (Minister of Highways and Transportation): Madam Speaker, I do not have the precise numbers in front of me, to the member for St. Boniface, but we have in previous Highways budgets committed a few million towards the project of twinning Highway 59 south of the floodway where the bridge was opened last fall. It is carrying traffic now down to the north junction of 330 and further work continues at a rapid pace, but the member must also realize that because of the flooding last spring, the new lanes of Highway 59 are to be considered for future flood protection for the area, so there is a combined flood protection-highway building project that is being worked on. We are committed with many millions over the course of the next period of time to be sure that we

have safe travelling for people coming up and down Highway 59 south.

Mr. Gaudry: I thank the minister for his answer. Since we had a bad accident again on Highway 59, when can we expect that the twinning will be done to Ile des Chenes?

Mr. Findlay: Madam Speaker, the total cost to get to Ile des Chenes is some \$60 million. As I said, we have the northern portion with a bridge over the floodway now built, and we aggressively work as fast as we can, to the member opposite, within all the restrictions that exist. Acquiring land is a particular challenge in that area; it is not easy. We are committed, as fast as we can, to get that road four-laned in the length that the member talks—14 kilometres, \$60 million.

* (1400)

Northern Manitoba

Mr. Neil Gaudry (St. Boniface): My question to the same minister: given that the Minister of Finance (Mr. Stefanson) announced \$7.1 million in infrastructure, what has been allocated for the roads in northern Manitoba?

Hon. Glen Findlay (Minister of Highways and Transportation): Madam Speaker, we will have at our disposal \$105 million of capital for highways in Manitoba in this particular budget. We normally have a two-year program out in front of the industry which will be announced in due course. It will have projects for all over the province. The general rule of thumb we have used in northern Manitoba is, it is 11 percent of the highway network up there, and we will have at least 11 percent of the budget for highways across all of Manitoba dedicated to northern Manitoba.

Education System Funding—Property Taxes

Ms. Jean Friesen (Wolseley): Madam Speaker, after years of cuts in education funding, this year the minister announced a much-needed increase at about the level of inflation, and at the same time her government's budget has been attempting to lead

Manitobans to expect that they would individually have some tax breaks, but in fact the very opposite is the case. Brandon residents are looking at a huge school tax of 13.9 percent; some Transcona residents are facing a hike of 6 percent; Beautiful Plains School Division and Garden Valley School Division are both of them anticipating an 11 percent increase, and the list goes on.

I would like to ask the Minister of Education to explain to the House why she and her government are attempting to deliberately avoid any responsibility for the widespread tax increases that Manitobans are facing.

Hon. Linda McIntosh (Minister of Education and Training): Madam Speaker, the funding for education, as you know, flows through a formula, a formula that was put together very much needed and very much requested by the field because the formula that had been in place in the 1980s was no longer working. That formula was put together with input from the field. People on the committee that helped devise it included the then superintendent of the Brandon School Division. The members of the Brandon School Board have made it very clear to me that they have no objection to the funding formula. That is not a problem. They have been in to see me, and they wanted to make it clear because they felt that it was in the paper being portrayed as if perhaps they did not approve of the funding formula. They do. Their problem this year—and some other divisions, not all, some divisions had a problem with reassessment. When you can talk about percentages, the dollar amounts reveal that in Brandon, on an average home, they would be facing about an \$80 increase, having received 11.1 percent increase in funding from this province over the previous five or six years. So they did fare very, very well in the years leading up to this year.

Funding

Ms. Jean Friesen (Wolseley): Could the minister explain why, last year, she promised school divisions they could count on at least a zero percent funding for this year when the real story is in fact that over half of Manitoba school divisions are going to find themselves with far less than that zero percent?

Hon. Linda McIntosh (Minister of Education and Training): Madam Speaker, last year what school divisions were told, and it was very clear, it was very clear indeed both in writing and in verbal communications, was that the overall amount provided to education would be no fewer dollars than the overall amount provided the year before, and indeed that is true. We also made it clear at the time that, of course, individual school divisions would find their amounts would be increased or decreased depending upon various factors in their particular school division.

In the case of Brandon, for example, their student enrollment went down, hence the funding went down, and that would happen the reverse—if their enrollment had gone up, their funding would go up. In fact, if their projections are wrong at the end of September, the \$200,000 they are losing because of decreased enrollment, if those students actually do show up in school, the \$200,000 would automatically flow to them as an adjustment at the end of September.

So it was very clear to divisions, it was the overall amount in the government funding and they knew that, and they acknowledged that.

Health Care System Funding—Information Release

Mr. Tim Sale (Crescentwood): Madam Speaker, this Finance minister has been criticized twice by the Ombudsman for withholding information vital to Manitobans' interests, the Winnipeg Jets issue, the poll that he commissioned for his prebudget. Now there is the question of his withholding unreasonably the special warrant which was dated February 18 but not released until this Monday.

Why does the minister continue to withhold and hide vital information from Manitobans who have a right to know what the changes in their spending plans have been?

Hon. Eric Stefanson (Minister of Finance): Madam Speaker, the special warrant that the member for Crescentwood refers to had been available since February 27, the day that I released the Third Quarter Report. I am sure if he took the time to read the Third Quarter Report, on page 2 he would see very specific

reference to the special warrant, that the expenditure forecasts include all of the expenditure requirements which were recently approved by the special warrant.

So it has been available since February 27. It was circulated as part of the regular process of how it is distributed weekly to all of the various offices.

Mr. Sale: Madam Speaker, perhaps the minister could explain to us then why that special warrant was not distributed on the date that he mentions but in fact was in the package of things that came out only after his budget had been delivered. Perhaps he might also explain why the information in the warrant is different from the information in the third quarter statement.

Mr. Stefanson: Madam Speaker, the distribution of the Orders-in-Council followed the exact same process they always have. They go out once a week. This particular one was included with the batch that was available on Friday and distributed, I gather, not on Friday but on Monday. It has clearly been available. It has been available since the 27th of February. It was referred to in the Third Quarter Report, and certainly if the members opposite were doing any of their own homework, they would have recognized that it was available and is referred to very specifically in the Third Quarter Report.

In terms of the issue of differences between special warrants and ultimate expenditures, I would encourage the member for Crescentwood to talk to some of his colleagues who have had the opportunity to be in government in previous years, because what you have to do is you have to allocate—you cannot move money between accounts. You cannot use lapses in one account and just transfer it to another account. You have to actually allocate the resources within the individual program. So it is not uncommon that you will have a special warrant expenditure which is significantly higher than your net expenditures are because of lapsing in other areas.

I am sure the Leader of the Opposition (Mr. Doer) understands that. I am sure the member for Brandon East (Mr. Leonard Evans) understands that. Please take the time and explain that to the member for Crescentwood.

Mr. Sale: Madam Speaker, the minister did not answer the question.

Why is the information on planned health spending different in the special warrant than it is in the third quarter statement? Why is the information on flood spending different in the third quarter statement than it is in the warrant? Why is the planning different?

Mr. Stefanson: This is absolutely unbelievable. The member should listen. I just explained that to him very thoroughly. You cannot take lapses in one line of the budget and transfer that to another account. When you have to provide money in an account, you have to provide all of that money. So, if he goes back and looks at special warrants, under our government, under the previous NDP government, he will see exactly the same treatment of special warrants, because you provide the amount that is required in the individual line and you do not transfer lapses from other accounts to those accounts, so it is normal that you will see a special warrant being higher than what is ultimately required because, in some accounts, you do not spend everything that is budgeted. I know the Leader of the Opposition (Mr. Doer) understands that process. I am sure the member for Brandon East (Mr. Leonard Evans) does. I wish they would take the time to enlighten one of their colleagues who so badly needs some enlightening.

* (1410)

International Women's Day Information Pamphlets

Ms. Diane McGifford (Osborne): Madam Speaker, earlier this week the member for St. Vital (Mrs. Render) spoke of the government-sponsored IWD celebration with its themes of wellness, health and vitality. One of the pamphlets distributed at this event instructs women to make time for their husbands and offers this advice: Ask him for a date and hope he does not think you are too forward. Write an "I like you because" note to your husband. Watch for the right cartoon in the newspaper that reminds you of him. Tape it to his pillow.

I would like to ask the minister to explain how asking your husband for a date or pinning a note to his pillow

promotes the status of Manitoba women, or is this take-your-shoes-off- get-to-the-kitchen-and-bake-him-a-pie mentality simply a reflection of this government's slack attitude towards women?

Hon. Rosemary Vodrey (Minister responsible for the Status of Women): Madam Speaker, we were very pleased to celebrate International Women's Day in the Legislature last Thursday, and at that celebration we focused on an issue very important to women in Manitoba, and that is women's wellness and wellness achieved through recreation, through fitness. On that day we were very pleased in fact to have the partnership of many groups in Manitoba and many departments of government which provided information, provided pamphlets and information to women and to families to assist them.

The member highlights information in that pamphlet distributed on that day which in fact in many cases and to many families may be something very important within their relationship. I would in fact also ask why she would not highlight other very important information which was given, such as nutritional information to assist families, information given to families giving information that the cost of a well-balanced meal does not in fact have to cost a lot of money.

Ms. McGifford: Madam Speaker, I would like to remind the minister that—

Madam Speaker: Order, please. The honourable member was recognized for a supplementary question. Please pose your question.

Ms. McGifford: Madam Speaker, the past two years have shown that this minister resents International Women's Day with its labour roots, but this is really no excuse for the kind of material that has been handed out. I would like to ask the minister to show the women of Manitoba a little respect, commit to take International Women's Day seriously, to do some serious work and scrutiny or simply do not bother.

Mrs. Vodrey: Madam Speaker, first of all, I can say what I do resent highly is the member's very personal remark about my commitment and the commitment of this government to the women of this province. I can

tell you that, first of all, on International Women's Day we have highlighted issues which are very important to the lives of women in our province. Women in this province do have very important issues, issues of their own personal health in a diagnostic way, issues of their economic security, issues of their personal safety. In order to deal with those very serious issues, when a woman acts in this province as a cornerstone in family life, in the economic life of this province, she also has to be well.

So, Madam Speaker, on a positive note, this year this government decided to focus on women's wellness and their ability to feel well to deal with all the very important issues in their lives. The fact that the member has totally missed the point and is instead wanting to focus only on despair is shameful.

Immigration Head Tax

Mr. Conrad Santos (Broadway): Madam Speaker, to the same Minister of Culture, Heritage and Citizenship: If there is an immigration requirement which is based on things possessed rather than the personal qualities of prospective immigrants, is the poll head tax, which is almost exclusionary from immigrants coming from poor Third World countries, my question to the honourable minister is this: what effort has she done in dealing with the federal government so that the federal government will drop from their budget this particular immigration requirement?

Hon. Rosemary Vodrey (Minister of Culture, Heritage and Citizenship): I am on the record, as are members on this side of the House, recognizing and stating our concern to the federal government about anything which in fact may reduce immigration opportunities, particularly for people to Manitoba. As I have replied to his colleague from Point Douglas, I have also written to the federal minister on this issue stating Manitoba's difficulty with anything which causes possible reduction in immigration or in fact may cause family reunification to be delayed or stopped.

Language Requirement

Mr. Conrad Santos (Broadway): Supplementary, Madam Speaker: what action will this minister, what effort would she be doing with respect to this new,

second exclusionary immigration requirement of the federal government not to admit people who cannot currently speak English or French language?

Hon. Rosemary Vodrey (Minister of Culture, Heritage and Citizenship): I will say very clearly that our government does not support, in fact, we strongly reject two of the initiatives which have been recommended to the federal minister. That is the testing abroad for language, and also we are not supportive of the core language requirements. I have made an attempt to meet with the federal minister on this issue. She was unable to meet. A meeting had to be cancelled, in fact, when she was in Winnipeg recently, so I will be writing to her and also I will be attempting to meet with her shortly.

Mr. Santos: If the minister is to be logical and consistent, would she propose an all-party nonpartisan legislative resolution to denounce these requirements?

Mrs. Vodrey: As the member knows, it is my responsibility as minister to put forward the position; however, there may be some room for discussion. Particularly, I know that the member for Point Douglas (Mr. Hickes) and our government have shared a number of similar concerns, and I believe that there may be room to speak further on this particular issue.

Elk Ranching Capture Deadline

Ms. Rosann Wowchuk (Swan River): Madam Speaker, once again, this government has decided to capture elk for domestication, and once again, there is controversy. Biologists across the country say that there should not be any capture after the end of February. However, here in Manitoba, the deadline for capture was set for March 8, then extended to March 10 and now is extended to March 12.

Will the minister ensure that the capture will end immediately and the date will not be pushed back again?

Hon. Glen Cummings (Minister of Natural Resources): Madam Speaker, the opposition of this member to establishment of the elk industry in Manitoba is well known. This is simply another attempt on her part to discredit what is a well-run and carefully managed industry.

Point of Order

Mr. Dave Chomiak (Kildonan): Madam Speaker, on a point of order. The minister is experienced enough in this Chamber to know that our rules do not allow ministers to impute motive. The member was asking a very legitimate question on behalf of constituents in Manitoba, and the minister has no right—the minister does not have to answer the question, but he has no right to impute motive, and in fact when the motive he tries to impute is terribly inaccurate and wrong.

* (1420)

Madam Speaker: The honourable Minister of Natural Resources, on the same point of order.

Mr. Cummings: If I may, on the same point of order. I believe the newspaper clippings in Swan River will clearly demonstrate that this member is opposed to elk ranching.

Madam Speaker: Order, please. On the point of order raised by the honourable member for Kildonan, the honourable member had a point of order relative to our rules for the minister to respond to the question asked and not provoke debate.

* * *

Madam Speaker: The honourable Minister of Natural Resources, to quickly complete his response.

Mr. Cummings: Madam Speaker, two of the areas where capture is being undertaken are being shut down today, and one trap in the Interlake will be closed in two days.

Madam Speaker: Time for Oral Questions has expired.

MEMBERS' STATEMENTS

St. John's-Ravenscourt Screaming Eagles

Hon. Rosemary Vodrey (Minister of Culture, Heritage and Citizenship): I have a member's statement, Madam Speaker.

I would like to congratulate the St. John's-Ravenscourt Screaming Eagles high school hockey team for winning the city championship last evening, Tuesday, March 10, at Max Bell Arena. This is the first time the Screaming Eagles have won the city championship in the high school hockey league. The team achieved this through very hard work, through a strong effort, and, of course, through the coaching skills of Mr. Ralph Waples and Mr. Paul Sawyer. I would like to recognize the effort and the time commitment of these two coaches and their dedication to the players.

The high school hockey league is very vibrant in Manitoba and emphasizes sportsmanship, development and fair play. Each player in the league deserves recognition for his hard work, and as a fan I want to cheer them on. I would like to recognize the support that the fans provide, the fans being their fellow students, friends, staff of the school, and of course, the parents of which I am but one.

Best wishes and congratulations again to the SJR Screaming Eagles high school hockey team for winning the city championship.

Health Care Services—Grandview

Mr. Stan Struthers (Dauphin): I rise today on behalf of the citizens of the area of Grandview, the town and the R.M., who right now are concerned about the availability of health care services, in particular 24-hour emergency care and the ambulance service. What the people of Grandview have come to recognize is that this government has no commitment at all to the services of quality health care in their community, and what they have done is they have circulated petitions throughout the community over the last several months.

If you will remember, before Christmas I presented petitions with 218 names. The citizens of Grandview have approached me again. This time, they have petitions totalling 463 names on petitions that I would like to put forth for the government to consider. The last paragraph of the petition says: THEREFORE BE IT RESOLVED THAT the Legislative Assembly of Manitoba request that the Minister of Health consider maintaining 24-hour emergency and ambulance service at the Grandview District Hospital for the community of Grandview, Manitoba.

The citizens of the community of Grandview would not be very impressed with what they saw in the budget just presented last Friday. They would really be insulted by the phony claim by this Finance minister that he is somehow finding 100 million new dollars to put into health care in Manitoba. When they realize that, in effect, that is just \$1 million, not \$100 million as the Finance minister claims, then these people will really wonder whether this government has any commitment to health care at all in this province. This is a good example of where this government has failed rural Manitoba health. On their behalf, I present the final batch of petitions for consideration by this Health minister. Thank you very much, Madam Speaker.

Minister of Finance

Mr. Peter Dyck (Pembina): I rise today to acknowledge how fortunate we Manitobans are having the Honourable Eric Stefanson as Minister of Finance. I would like to praise him for his latest budget. The people of Manitoba are proud that they live in a province with a government that continues to be responsible with their tax dollars. Manitobans have cause to celebrate. This is the fourth consecutive year that the Filmon government has balanced the budget. Not only have we begun to see the promising future, we are living in promising times. We have begun the process of retiring our provincial debt, and as our more than \$500-million interest payments are reduced, we will be able to direct more taxpayers' dollars to our priority services.

We have also, for 11 consecutive budgets, held the line on major taxes, a record unmatched. I would like to applaud the efforts of my colleagues present and past who have worked diligently to ensure that we have controlled our spending while protecting and enhancing vital social programs. The people of Manitoba know that the Filmon government worked very hard to make Manitoba strong, and now we are working towards making a stronger Manitoba. Manitoba is an excellent place in which to live, work, invest and raise a family. I know that the people of Manitoba see their priorities and ideas reflected in this budget. Manitobans asked us to keep the taxes down, create a positive economic environment, protect priority social services, balance our books and start paying down our debt, and we have delivered. When I look around our province, I see new

employment opportunities, new investments, strength in schools and renewed health care.

Madam Speaker, I hope members opposite listened carefully to the budget on Friday so that when their constituents asked questions they were able to respond enthusiastically and honestly. Thank you very much.

VLT Revenues

Ms. MaryAnn Mihychuk (St. James): I rise today on a member's statement on the issue of this government's preference for gambling revenues. The dependence of this government, and in particular the Minister of Finance (Mr. Stefanson), sometimes known as the Minister of Lotteries, was demonstrated in a recent W5 story on CTV. Even in this tragic story of the Wynant family, where the father lost his life and more than \$165,000 to VLTs, this Minister of Finance says the government, which promotes VLTs, brought them into the province, should bear no responsibility, and that the worst situation would be that Manitobans would be gambling elsewhere, a shameful statement for the minister who doubled VLT gambling advertising.

This is the minister who is spending more than \$55 million on expanding the two casinos built by this government. It is this government that brought VLTs to this province, and it is this minister and this government who are hooked on gambling revenues. The minister is well aware that only a tiny fraction of the gambling revenue in this province comes from outside tourists. As the budget showed again last week, gambling has become Manitoba's third-largest revenue source behind only income tax and sales tax. Under this minister, the Gaming Commission is simply an expensive stalling device.

I have here today, and I would like to table, over 550 signatures of Manitobans who have signed our petition calling on the government to allow for local governments to hold local plebiscites, and cutting the advertising, as well as better assisting problem gamblers. I hope this minister and this government will hear their call and finally respond.

Madam Speaker: Sorry about the hand signals. I was just trying to clarify. Today is Wednesday, and in the rotation I have in front of me the official opposition is

entitled to three, the government two members' statements, and I understand we are now at four. Does the official opposition wish to make a further member's statement?

An Honourable Member: No.

Madam Speaker: I thank the members for the clarification.

Tourism

Mr. Ben Sveinson (La Verendrye): Madam Speaker, Manitobans have placed our province on the map as a great tourist location. Manitoba Tourism announced today that in 1997 more than 600,000 people visited Manitoba from the United States and more than 13,000 came from foreign countries. Every year those numbers increase. Manitoba is becoming a world-renowned destination for tourists as our province continually acquires the rights to host world-class events. Right now in Winnipeg hotels are full with visitors from across Canada and from the world taking in the action at the Labatt Brier.

In 1999, our province will host the Pan-American Games for thousands of people from around the world. This fall we will once again host the Grey Cup, and hopefully our Blue Bombers will be victorious at home. In December, Winnipeg, Selkirk, Portage la Prairie and Brandon will host the 1999 World Junior Hockey Championships. Manitoba's famous hospitality will ensure these visitors return to our friendly province, and hopefully they will bring their friends and families.

I have mentioned the one-big-time events that attract thousands of tourists, but we also have many events that attract visitors each and every year. To name a few, there is Folklorama, the Morris Stampede, Festival du Voyageur, Northern Manitoba Trappers Festival, International Children's Festival, the Folk Festival, along with many, many more.

I would like to thank the Manitobans who work so hard at co-ordinating these events. It is thanks to their efforts that Manitoba tourism generates more than \$1 billion in annual revenues and provides more than 50,000 jobs. I would also like to thank all Manitobans

for their friendly hospitality that continues to prove that Manitoba is the place to go. Thank you.

* (1430)

ORDERS OF THE DAY

BUDGET DEBATE (Fourth Day of Debate)

Madam Speaker: To resume adjourned debate on the proposed motion of the honourable Minister of Finance (Mr. Stefanson) and on the proposed motion of the honourable Leader of the official opposition (Mr. Doer) in amendment thereto, standing in the name of the honourable member for St. James who has 23 minutes remaining.

Ms. MaryAnn Mihychuk (St. James): Madam Speaker, I will not be speaking for that much longer, but I do want to address my critic area, Energy and Mines. I must respond to the minister's comments from yesterday where he stood to talk about that he was listening to industry and that industry had—I wish I could, I cannot spot the actual quote and I paraphrase—that industry valued the geological database provided by the Department of Energy and Mines, and I believe that to be true. They have presented that as one of the most fundamental and important aspects of the Department of Energy and Mines and that indeed providing that type of base information is fundamental to exploration and further activity in Manitoba.

However, what I must take issue with the minister on this whole area is the government's record of support for geological work in Manitoba by civil servants. The minister perhaps is not aware that, in fact, there has not been sufficient resources provided to the department to conduct a full-blown, full-fledged field season for many years. Not every geologist is used to their maximum, that indeed many have their field seasons curtailed because we do not allow, this government does not allow sufficient supports for a comprehensive field season to occur. What is more fundamental than that, I ask the minister. It is indeed one of the most important jobs of the department, and we have skilled people who we have on staff that should be utilized during the entire field season to provide that type of base information.

So I challenge the minister, that if indeed he does listen to industry, that he take action and remedy what has been an inherent and a consistent shortfall in the budget for the Department of Energy and Mines. Both the upgrading of equipment and allowing for a comprehensive field season is exactly what Manitobans need, what industries need, and we look for the minister to follow through on his commitment.

The data actually shows what has happened to the Department of Energy and Mines. In 1990-91, if we look at the expertise, the geological expertise in the department, in 1990-91 there were approximately 138.5 staff years assigned for professionals, for geologists and support staff in Geological Services, Mining Engineering, Mineral Development and Petroleum. In 1996-97—and I use the Estimates that I had from last year. I know that this year we are not seeing a further reduction, so staffing levels, I will assume, will remain stable. Staffing levels have been cut dramatically. In Geological Services alone, approximately 25 professionals have been released. Those staff years are gone. In 1990-91, there were 80.22 staff years. In last year's Estimates, there were 56.31. In Mining Engineering, there were 34.26, in 1996-97 only 31. In Mineral Development, there were four, and in Petroleum there were 20. There are now 29 additional geological and technical supports. That is because there has been also a reorganization. So in total, as far as I can pull together from Estimates, there are 109 geologists and other supports in the department, while in 1991 there were close to 140.

So, Madam Speaker, as the numbers show, that indeed what the rhetoric is there, that that is an important source of information and the industry finds critical and prioritizes, has, in fact, been chopped by this government. We no longer have an industry-based aggregate section that supported the construction industry, and the Minister of Highways (Mr. Findlay) would be particularly knowledgeable about this, a group of individuals who were out in Manitoba's landscape looking for additional construction materials for roads, for highways, for construction, for concrete.

Many of our municipalities, particularly in southern Manitoba, are indeed importing aggregates to the tune of millions and millions of dollars from the United States, from the Interlake and from the east side of the

province, so, in reality, Manitoba has an intense shortage of high-quality aggregate in the southern section of Manitoba. The Department of Energy and Mines has seen fit to virtually wipe out that whole department with leaving one person who does land use planning, a mineral resources-type of position, and no longer looks actively for new deposits. They have also wiped out the whole Mineral Development section and have wiped out or eliminated the Industrial Mineral section. That was a group of individuals who was promoting the development of our granite resources doing—and we see in our downtown Winnipeg some curbing, roadside curbing that is made out of granite. Some of the structures in downtown Winnipeg show some wonderful architectural work using Manitoba stone. All of those people, those individuals, those positions are gone, and we no longer have that expertise in our department. In fact, we are void of that type of position in the department.

So when the minister talks about those types of supports for industry, I challenge him to look at his department and renew our commitment not only to minerals that glitter or that are glamorous like oil. Oil and gold seemed to be the No. 1 priority of the previous minister, and he was known by many to be the glitter king of the government in terms of mineral policies—but there are many other minerals that are fundamental to Manitoba's economic viability. We should be promoting them. They are a critical factor in the municipalities around Portage la Prairie, Morden, Altona, Emerson. The whole southern region experiences a crisis in terms of construction material when it comes to high-quality materials. So I appeal to the ministry to look and reprioritize and provide that fundamental basic knowledge for Manitobans.

The department not only encourages further exploration and development of mineral resources, but it also has a responsibility for monitoring and regulating the use and the mining of Manitoba's minerals. This is another area which the government has seen fit in the past to reduce. I know that there have been changes and reorganization, but it is my understanding that perhaps a review in that area is also warranted. I still get the issue of rehabilitation coming up to me, that we do not have the resources available to use the money that we collect for pit and quarry rehabilitation to its maximum. We do, indeed, collect the money, but we

are not effective at getting the job done because we do not have the personnel.

So those are some areas that I present for the minister, that if he is looking in his department and he wishes to be responsive to industry, that those are some areas that do need attention.

* (1440)

In addition, I think that the minister also needs to respect industries' request for a stable and strong infrastructure. When I had an opportunity to talk to representatives from both Flin Flon and Thompson, they not only mentioned the direct supports for the mineral industry but the importance of upgrading roads, for instance, in the North. The importance of having a strong public education system was mentioned by the mining community, the importance of having professional health care people in the hospital so that they could have a strong community. So those are also areas that, in my opinion and in the opinion of the members of the opposition, this government has not provided sufficient supports for the North. We have seen a deterioration of the roads, education system and health care in the North, and that is not building towards a healthy future.

Just to conclude, my final area that I just wish to touch on, and I did a little bit yesterday, is in the area of lotteries and gaming. We see in the budget that the projections are increasing. The minister estimates revenue of \$227 million from lotteries and gaming. This is an increase of \$4 million. He does mention, and I presume that it will be in the annual statement of the Manitoba Lotteries Commission, that the government has put another \$600,000 for education to the Addictions Foundation. This brings it up to approximately \$1.5 million, still a very, very small amount compared to the amount of money the government is getting from gambling. Revenues, like I said, are projected at \$227 million. Investing 1.5 is less than 1 percent, Madam Speaker. That does not come anywhere near the impacts of gambling. Statistics that I have seen across Canada, and Manitoba's numbers estimate that between 4 percent and 7 percent of Manitobans experience problems or are problem gamblers, so we need to do much, much

more in terms of awareness, education and treatment in the whole area of gaming.

This government's whole budget plan and its future seems to revolve around gaming, actually. It made a firm commitment with no deviation to expand the two casinos, to virtually double their size, and I still think, as I mentioned yesterday, that having heard the nightmare stories about the health care system, it boggles the mind that this government believes expanding casinos is more important than building personal care homes or putting that fundamental infrastructure so that we would not see people in the hallways at our hospitals, or St. Boniface Hospital possibly losing accreditation because of overcrowding and a lack of support by this government. It is absolutely shameful.

This is a government, as I said before, that, reflected through this budget, has no vision and no plan. What we have seen, in fact, is clear decisions being made by the Minister of Finance (Mr. Stefanson) in terms of any area where he can see to increase revenues. The Minister of Finance has come out with the edict that there will be expansion of casinos, that alcohol will be served to people in casinos. He also has decided to double the advertising budget on promoting VLTs. Madam Speaker, all of those issues I think Manitobans expected would be directed to the Gaming Control Commission whose only decision so far has been on the colour of its wallpaper and how to collect a further \$2 million to \$3 million from a tax grab from local businesses and rural communities.

So it is a fairly pathetic record from the Gaming Control Commission and I think a concerted plan on behalf of this government to actually have it do nothing until close to the next election, so that this government, through its Minister of Finance, can direct the real agenda which is to milk this cow to the maximum, and the revenues is its priority. The consequences to Manitobans who have difficulty does not seem to be a priority in the least.

So, Madam Speaker, on those final points, I would just like to urge the Minister of Education (Mrs. McIntosh) to try to lobby more effectively in cabinet, since apparently the Minister of Finance (Mr. Stefanson) has been very successful in getting his

wishes to come to conclusion as we see the expansion of gambling palaces, and he has been successful in getting that commitment from his government, from his colleagues, for that expansion, and the Minister of Health (Mr. Praznik), to his credit, has been able to see an increase in the amount of money going towards Health.

I would say to the Minister of Education that she needs to perhaps be more forceful, that a 2.2 percent increase for public education after year after year after year of serious erosion does not seem like perhaps she was assertive enough, that this government could make a stronger commitment to Manitoba's children, Manitoba's education, and I know that there are members on that side that have been in a position of having to make program cuts and know that there have been serious reductions to what we deliver for children. So I look forward to the future where we do make a commitment to children and we do see some program enhancement in terms of public education.

Thank you, Madam Speaker.

Mr. David Faurschou (Portage la Prairie): Madam Speaker, it is indeed an honour to rise in the House this afternoon, and I must say to my colleagues I inadvertently missed my opportunity yesterday, and for that I apologize and will eternally be reminded, I am sure. I must admit that I am not yet comfortable in addressing this very honourable Chamber. However, I am very comfortable with this our government's fourth consecutive balanced budget.

There are three dominant themes exhibited in this budget. Firstly, we have listened to Manitobans and this budget is a reflection of their priorities; secondly, that our robust economy is a result of our commitment to balanced budgets; and, thirdly, our government has pledged to share the benefits of our strong economy with all Manitobans.

I would like to take this opportunity to welcome back all the members of this House. I trust that all members have taken the opportunity throughout the break to visit with their constituents and to listen to their concerns and measure their priorities. Personally, I have taken the time to speak with the people of Portage la Prairie, and these are the issues that they have related to me:

the need to repay the debt, to reduce taxes and to increase spending to priority areas such as health care and education. The people of Portage la Prairie, indeed, see in this budget a reflection of those their priorities, their ideas and their values.

I had the pleasure of attending the prebudget consultations held in Portage la Prairie, along with the Minister of Finance (Mr. Stefanson) in late 1997. At that meeting, most of the people of Portage la Prairie told the Finance minister that the No. 1 priority of our government should be a faster repayment of this our province's debt. Madam Speaker, 45 percent of those people attending considered this their No. 1 concern. The constituents told us that the sooner the debt is paid down, the sooner our government will be able to commit those dollars, previously reserved for debt interest payments, for more important areas. We have heard those concerns and we have delivered. Our government will double the payment on the debt this year to a total of \$150 million.

Of the other options given at the consultation meeting, 21 percent of the people in Portage la Prairie said that they wanted their government to reduce taxes. This budget reduces personal income tax from 52 to 50 percent of the federal rate in the next two years. In addition, we have directed a number of tax reductions that are intended to help the business climate and stimulate job creation. A number of people also wanted their government to increase spending to targeted areas, and our budget has done just that. In fact, when asked which areas we should increase spending in, the people of Portage la Prairie ranked health care at the top of that priority list followed by education and the highways.

* (1450)

Under this budget, our government will increase spending by a total of \$192 million with more than half of that being dedicated to health care. Our budget also will commit a further \$10 million to a total of \$170 million for Highways. As well, a further \$10 million has been provided to the universities for additions to their grants. Our government has consulted with the people of Portage la Prairie and, indeed, the people of Manitoba. This budget is a reflection of advice

received from Manitobans all across this great province.

The second theme in the budget bridges the connection between a strong economy and our commitment to those balanced budgets. Most voters instinctively recognize that governments cannot endlessly run budget deficits without paying the price. The price is not simply higher interest payments in the following year. The price is lost credibility. Our dedication to balanced budgets has restored the responsibility and accountability within our government. By passing balanced budget legislation, we have restored confidence among the entrepreneurs in our great province whose businesses create the jobs, income and wealth for Manitobans. Madam Speaker, our government believes that governments should create a climate in which businesses can create jobs and in which our economy can grow. Today, we are witnessing Manitoba's economy that is poised for even greater growth, thanks in part to our commitment to balanced budgets.

The third and final theme of the Finance minister's budget is in the commitment to share the benefits of our growing economy with all Manitobans. Madam Speaker, the Finance minister's balanced budget tabled here in this Chamber last Friday pays attention to more than just the bottom line. It not only maintains our commitment to fiscal responsibility, but it addresses the desires of many Manitobans to support our vital social programs. As the Minister of Finance (Mr. Stefanson) appropriately phrased it, our goal is to see Manitobans all across our great province share in the benefits of balanced budgets and a strong economy.

Madam Speaker, Manitobans can be proud that they have the lowest cost provincial government in all of Canada. While our government is pleased to have this distinction, we will continue to pursue other ways of achieving even greater efficiencies. We must always recognize how hard Manitobans work to generate the tax dollars, and we, as a government, have the responsibility to work equally hard in spending those taxpayers' dollars wisely.

In the matter of public debt, Madam Speaker, our government knows that the provincial debt, now totalling \$6.8 billion, we will deduct this year

\$515 million, or roughly 9 percent of the province's total 1998-99 budget. This represents \$515 million that could have been spent in tax relief or further spending on health and education. This \$515 million is wasted dollars. However, by doubling our debt payment this year to \$150 million, we will save over the course of our debt repayment in the next 28 years an estimated \$300 million, which is indeed significant.

To further illustrate our commitment to repaying the debt, let me tell you that the president of the Winnipeg Chamber of Commerce said: while the federal Finance minister has knocked 0.58 percent off the federal deficit in this his most recent budget tabling, this government has put \$150 million down on a \$6.8-billion debt, which is, in fact, 2.2 percent repayment of this province's debt. Now, I say that is a commitment.

In the matter of tax cuts, Madam Speaker, the Minister of Finance (Mr. Stefanson) has moved to cut the personal income tax rate from 52 to 50 percent over the next two years. This will stimulate the economy, leaving more money in the hands of all Manitobans. This most modest tax reduction will also place Manitoba's income tax rate more in line with other Canadian provinces. Alberta and Ontario have already reduced their personal income tax to 44 and 45 percent respectively. When fully implemented, Manitoba's tax rate will be the same as British Columbia and Saskatchewan at 50 percent.

The Minister of Finance also pledged to increase the corporations' tax exemption from \$3 million to \$5 million in 1999. This will mean an additional 900 companies will no longer have to pay this tax. The minister also announced a decrease in the payroll tax from 2.25 percent to 2.15 percent. These two announcements will increase the attractiveness of Manitoba to those persons looking to invest in businesses.

Our government also made a commitment to eliminate the provincial sales tax for custom developed computer software, which will assist businesses in preparing for the year 2000 computer problem. This will make purchasers and developers of such software more competitive as we help business prepare for the year 2000. Information technology companies will be able indeed to take advantage of this announcement by

hiring additional staff and helping them expand their businesses.

Madam Speaker, on the matter of health care, despite what members opposite claim, this government has consistently made health care spending a priority. Since 1988, this government has increased health care expenditures by almost \$600 million, or by 45 percent. Our government's dedication to health care is a result of our commitment to balanced budgets. Balanced budgets allow us to assign more resources to improve the health care system while maintaining the long-term sustainability of this program, which is so important to all Manitobans.

Madam Speaker, the increased funding to health care outlined in this budget, which accounts now for 34.6 percent of our spending, is the third highest per capita health expenditure of all provinces in Canada. [interjection] Oh, pardon me. Second highest of all provinces in all of Canada.

As well, it is the third highest per capita health expenditure of all provinces here in Canada. These new funds will go to a number—there are also new funds which will go to a number of different initiatives designed to reduce waiting lists, address the needs for additional diagnostic services, purchase new medical equipment and increase the number of personal care beds, as well as assisting to further co-ordinate services available within our province.

Madam Speaker, the Manitoba Pharmacare program has been described as one of the most comprehensive publicly funded programs in this great nation. This budget will further sustain and enhance that program with an additional \$7.3 million in funding, bringing to a total of funding annually of \$62 million.

Our government has increased funding to home care by a further \$23 million, triple what was spent on the Home Care program when we formed government in 1988. This additional funding will help the program respond to our province's aging population while it continues to provide an excellent level of service that is often seen as a model for other governments.

We will expand the province's Breast Cancer Screening Program with the purchase and operation of

two additional mobile breast screening units. As a result, more Manitoba women will have better access to service closer to home.

Speaking of closer to home, I am very pleased to see the acknowledgement for a 20-bed youth residential facility. This facility will be operated by the Addictions Foundation of Manitoba which will open in Manitoba this year. This facility will be made possible in part by a \$1.8 million funding which will help treat persons in this province who need help when overcoming addictions to drugs and alcohol.

On the matter of justice, Madam Speaker, our government has committed \$2 million for the construction of a youth custody unit at the Agassiz Youth Centre in Portage la Prairie. This unit will increase the total capacity of the facility by 20 beds or an 8.3 percent. The construction of this unit will make available more space in our youth facilities. It will ensure that youth receive appropriate rehabilitation, and it will have the positive economic impact on the city of Portage la Prairie as well.

The addition to the Agassiz Youth Centre will free up space to the Manitoba Youth Centre as well as the Brandon Correctional Institution that could be put to better use. The young offenders that will occupy these new units will be placed in a secure environment at the Agassiz Youth Centre where they will receive the proper supervision and care that they require.

Building this facility is a recognition of the appropriateness of having a secure facility with an experienced and well-trained staff who will have positive effects on the rehabilitation of our young offenders. When this facility is completed in November of 1998, it is expected to employ an additional 20 persons which will help the local economy by injecting over \$900,000 annually in payroll.

* (1500)

Madam Speaker, the people of Portage la Prairie, like all Manitobans across the province, want to feel safe in their homes and in their communities. Our government supports the Justice minister in his efforts to have the federal government amend sections of the Criminal

Code. Manitobans want changes to the Criminal Code, Section 745, known more commonly as the faint-hope clause, which allows convicted murderers to apply for parole after only serving 15 years.

Manitobans want amendments to the Young Offenders Act, as well, to allow judges in the appropriate circumstances to bring children into the criminal justice system, so they may not escape the consequences of their actions. Having young offenders take responsibility for their actions was the underlying reason that this government enacted the parental responsibility legislation. Now, victims of youth crime can sue the parents or guardians for damages of up to \$5,000 in Small Claims Court. This legislation, Madam Speaker, is unique in all of Canada and will hold parents responsible for their children and what they have done regarding property.

On the matter of education, during the Finance minister's budget consultation, Manitobans told our government that after health care our next funding priority should be education. The people of Portage la Prairie have told me the very same thing. That is why our government will increase Manitoba's Education and Training budget by 4.4 percent. I am proud to say that our government will spend more than \$1 billion on education in this forthcoming year. Students in Manitoba will benefit from initiatives announced in this year's budget.

Our government recognized that access to quality education will help young people gain the skills necessary for a successful career in tomorrow's workforce. We recognize that a connection exists between higher levels of education, lower employment, and higher earnings. Our government will introduce measures designed to help students address high debt levels. We believe that we should do more to help those young people who have taken the initiative to help themselves get a better education. We are committed to working with all levels of government in a national harmonized student loans program. This program will reduce some overlap and duplication and help graduates make more manageable payments on their loans.

This budget, as well, will make post-secondary education more accessible to students. Our government

will provide an additional \$9 million in operating grants to universities and another \$9 million in capital grants to universities. This budget provides an additional \$4 million for scholarships and bursaries which is expected to help 10,000 students in 1998. The University of Manitoba president said that she is very optimistic about funding initiatives and that increased allocation was very positive and music to her ears.

Although more Manitobans are working today than in any other point in our history, employers are telling us that there remains a shortage for skilled workers. This budget announces a number of initiatives that will help Manitobans, particularly young Manitobans, develop their skills that they need to ensure that they can take advantage of these opportunities in our thriving economy. This budget provides an additional \$3 million in support of expanding the apprenticeship training program to a total of \$54.3 million to help link Manitobans with the jobs in the marketplace.

Some of these dollars will help in the constituency of Portage la Prairie, Madam Speaker, at Stevenson Aviation which, as you are aware, is engaged in the Apprenticeship Program for aircraft maintenance.

In the matter of agriculture, this budget commits \$6.5 million to the agri-food research and development initiative. This investment in the province's growing agri-food sector will help create more jobs and business opportunities in the agri-food industry for new and alternative products, no doubt, assisting the Manitoba crop developmental centre located in Portage la Prairie.

Our farmers deserve a great deal of praise for their efforts. Our government spends approximately \$98 million for the Department of Agriculture annually. As a percent of this province's budget, our government spends less than 2 percent on agriculture, yet our farmers contribute more than 10 percent of our provincial gross domestic product. This is an indication of the maturity within our industry. Our farmers have become increasingly self-reliant and our other industry leaders could view these members of the agricultural industry as a model for efficiency and market-oriented practices.

In a recent United Nations study, it was found that Canadians spend the smallest percentage of their

personal income on food products than in any other country in the world. This is due in part to agricultural producers who have dedicated themselves to adopting new technologies and practices that greatly enhance their productivity and efficiency. Madam Speaker, our farmers are world leaders in the production of the basic food products. Unfortunately, many Manitobans and Canadians often take for granted the ease with which these products appear in their local grocery stores.

Now, on the matter of highways, Madam Speaker, highways construction and maintenance creates jobs and improves our province's trade corridors to eastern and western Canada as well as to the United States. Better highways will promote the movement of goods and services throughout our province as our economy continues to grow. All Manitobans will benefit from the additional spending in highways construction. This year's budget will provide \$170 million in spending for the Department of Highways and Transportation, a \$10-million increase over last year, \$7.1 million of which will be dedicated to road construction and an additional \$3.2 million for highway maintenance.

On the matter of municipalities, Madam Speaker, our government recognizes that local governments play a major role in the lives of all Manitobans. This budget outlines a 4 percent increase to \$27 million annually for municipalities through the Provincial Municipal Tax Sharing Program, a program, I might add, that is unique to all of Canada. Manitoba is the only province that shares a portion of its provincial personal and corporate tax revenues with local governments. It is this commitment to share the benefits of our dynamic economy with local governments that is indeed making Manitoba strong. In addition, the budget approves more than \$13 million this year for major water and sewer projects throughout Manitoba.

In conclusion, Madam Speaker, despite what some members opposite might say, this budget is a reflection of the ideas, values and priorities of all Manitobans. It ensures that there is enough money for important areas of health, education and family services, while maintaining Manitoba's position as having the lowest-cost government in all of Canada. In short, we have consulted with Manitobans, we have listened to them and we have set their priorities. Manitobans told our government that they wanted to see more debt

repayment, tax cuts, and our government has listened. The Minister of Finance (Mr. Stefanson) has announced a 2 percent reduction in our tax rate based on the federal tax rate, from 52 percent to 50 percent, to be phased in over the next two years. In addition, the minister announced that our government would double this year's debt repayment.

Our strong economic performance is a result of the commitment to balanced budgets. Balanced budgets sustain and protect the vital social services that are of great importance to all Manitobans. It is because of our commitment to balanced budgets that we have eliminated the deficit, and we have begun to reduce this province's debt. Slowly our interest payments on the debt are coming down. This is great news for the people of Manitoba. As we reduce the interest payments on our debt, that will mean that our government will be able to recruit these previously wasted dollars and direct those most precious funds to the areas that are of the utmost priority to all Manitobans.

Madam Speaker, thank you for the opportunity to address this Chamber this afternoon.

* (1510)

Mr. Stan Struthers (Dauphin): It is a pleasure to be able to stand today on behalf of my constituents in Dauphin and let the government know what I have been hearing about the prebudget conversations that I have had with my constituents and the conversations that I have had since last Friday when the budget was actually tabled in this House.

Madam Speaker, I heard on the radio this morning that it is the 150th anniversary today of responsible government in Canada. It was a time in the 1830s, 1840s, when Canadians, before they were even Canadians, were coming together to address some problems that they had in common. Upper and Lower Canada understood that people who lived there at the time understood that things were not quite right and that they thought they could do better. The conversations that I have read through the history of our country have indicated that in the 1830s people were living in a time of unrest, a time when unrest was expressed in many

different ways than what I see being expressed here in Manitoba in 1998.

In 1837, there was an uprising that was led mostly by people from Upper Canada. William Lyon Mackenzie was the one in the history books who is identified as one of the leaders of an uprising that took place. That uprising and all of the talk of the times led in the 1840s to a real movement towards making government responsible to the citizens that they represent. Rather than having a king or a monarch or a leader from a foreign country making decisions within Canada, Canadians at that time decided that they wanted to take on that responsibility for themselves.

That produced in the 1840s the Baldwin-LaFontaine government, which preceded Confederation. The actions of the government and the people of the day led to more serious talks about Confederation. Several meetings were had in Quebec and in Prince Edward Island in Charlottetown which eventually led to 1867 when the country came together. Responsible government meant a number of things. It meant that they were really responsible to the people who sent them to represent them in Parliament. It also meant that within the government there were checks and there were balances and that one part of the government was responsible to another and if, for some reason, that legislative assembly, the chamber in Ottawa could not hold the support of each of the different branches within government, then the government would fall. That, in essence, is what responsible government is.

I have always thought that the word "responsible" in front of the word "government" was very appropriate. The announcer on the radio this morning said kind of a smart remark, I thought, in saying it was also, not just was it the anniversary of responsible government, but it was also the anniversary of political oxymorons. I reject that kind of cynicism that is out there today. I reject the kind of apathy that would allow people to think that government cannot be responsible.

Madam Speaker, another way to look at responsible government is not so much in the political term "responsible government," but using the word "responsible" is an adjective. Technically we have responsible government in Manitoba. When you take that term "responsible" as an adjective and use it to

describe this particular government, I think it is way off. This government does not hold itself responsible for anything. It does not hold itself responsible for the mess that it has created in all kinds of areas under its jurisdiction in this province.

But I will tell you where I do hold them responsible. I will tell you where a growing number of Manitobans hold this government responsible. That is in the area of health care. It should be absolutely clear to everybody on each side of this House that we have a crisis in health care today. It makes me infuriated to hear the Premier (Mr. Filmon) and ministers of this government talk in terms of minimizing what is going on in health care right now. It frustrates me to hear cabinet ministers and the Premier trying to make as though health care is not in any worse shape than it has ever been at any other point in the history of this province, because that is just wrong, Madam Speaker, that is absolutely wrong. We have a crisis in this field, in health care, and we have to deal with it. This government has to deal with it.

How is this government choosing to deal with the problems in health care? Well, to begin with, they introduced a budget that does not do anything to help one single patient in one single hallway in one single hospital in any single community in this province. This government wants us to believe that it is putting \$100 million toward health care. This government wants Manitobans to believe that it is putting \$100 million towards solving the health care crisis in this province.

You know, Madam Speaker, if this government was putting \$100 million into health care, I would say congratulations, good for you, maybe you are finally seeing that there is a crisis out there in health care. But you are not putting in \$100 million. I know that, you know that, the Finance minister knows that. We know that you are coming down to the sunset years of your term. We know that you cannot go to the people of Manitoba and say that you are really only putting \$1 million into health care, not \$100 million. It is absolutely dishonest for this government to scam the people of Manitoba by telling them that they are putting \$100 million into something that you are not doing. You are not putting \$100 million into health care. At least be honest with the facts. At least be honest with those facts.

Madam Speaker, I realize that it is going to be difficult for me to pick and choose my words carefully according to the rules of this Legislature. I am going to assure you that I am going to try, but I am also aware that you will tell me if I use any words that are unparliamentary, because heaven forbid that I break the rules in the name of smoking out what this government is actually doing. One of the words that I would like to use to describe this budget is the word "deceitful" because this is a deceitful budget. It is a deceitful budget that flies in the face of what Manitobans have been telling not only me but this government what to do, because the prebudget conversations that are held by any government are just as important as all the headlines that the government gets after they do a budget. The prebudget conversations that any government attempts to have with its citizens, I would submit, are the most important part of the whole budget process, because a budget is to represent and reflect the wants and the desires and the needs of the people that we represent. Does this budget do that?

The Finance minister himself said something that I agree with. He said that the No. 1 value that Manitobans approached him about was health care. He said that Manitobans agree, and I agree with this, that the No. 1 issue to be dealt with in Manitoba in Dauphin is health care. So why then would the Finance minister turn around and say in his budget that he is putting \$100 million into health care only to have his figures proven absolutely incorrect, only to have people see that he is not putting \$100 million into health care? He is putting \$1 million into the most valued, into the most prioritized issue on the minds of Manitobans.

* (1520)

Madam Speaker, from purely a political standpoint, I walked in Friday to the budget speech thinking that I was going to have a tough time going back to my constituency and criticizing a budget that was going to contain a lot of money that was going to actually benefit my constituents in the constituency of Dauphin, or anywhere else in the Parkland, or anywhere else in the province for that matter, but when I left here on Friday and I thought about this budget, on the one hand I was quite depressed because the government did not address the problems facing Manitoba. From a purely political perspective, I thought to myself, it is not going

to be very hard to poke holes in what this government is putting forth to Manitobans now.

That, Madam Speaker, says to me that either this government did not listen to the prebudget conversations that were happening in this province or that maybe the government listened to those prebudget conversations and then simply ignored them and went along on their own agenda anyway. Either way, it does not say a whole lot of good things about this government's process or this government's budget at the end of the day.

One of the problems in health care is that we have people, patients who are sitting in hallways on gurneys who are in need of health care, who are in need of some attention, not just medical attention, but attention from this government, and what do they get? They get from this government the brainy idea that the way to help them out is to close Misericordia Hospital, actually reduce the number of spaces available for these people to go and recover, to go and have the procedures done that they need. They have restricted further the opportunities that the patients have to go and get taken care of.

I cannot imagine this government, this Finance minister going anywhere in this province and having people say: we want our opportunities in health care restricted, which is what you have done with your decision on the Misericordia Hospital. All we get from the government is a lot of whining about the amount of money that has been cut from the federal government. If the ministers across the way have had their ears open, they would have heard people from this side of the House chastising the federal Liberal Party, the Liberal government for the cuts that they have made to health care.

Everybody knows that that is happening. The question is: how are you going to respond to that? Your response is to do the same thing that the federal government is doing and cut further. Your response is to offload onto the next level of government below you. I do not mind agreeing with you and beating up on the federal government a little bit when they make those silly decisions, but do not turn around and act just like the federal government when it is your turn to step up

to the plate, and that is what you have done in this budget.

Switching to education, Madam Speaker, it does not sound to me like the people on the government side of the House are going to stray from the course that they have in their minds with their health policy. I would urge them to listen to what Manitobans are saying. I would urge them not to buy into the figures that the Finance minister has brought to the House.

What I will do is shift my attention to education and talk a little bit about the underfunding that takes place not only in this budget but in the years leading up to this budget.

This provincial government has shifted its focus from public schools to the private sector again. It seems like this is a pattern that this government has. When you talk about shifting from public to private, it is one thing to shift from public ownership of a telephone system to a privately owned MTS. It is one thing to talk about shifting from businesses that maybe the government should not be in into the private sector, but that does not apply to things like schools, and why this government is so bound and determined to privatize our public schools is beyond me. Why this government insists on shifting money from the public school system to the private school system makes no sense.

I will tell you, in this budget the other shift that is occurring is a shift of dollars out of rural Manitoba. Every rural member across the way and every rural member on this side of the House should be absolutely diligent and standing up against the amount of money that is coming out of our rural school division, that is coming—[interjection] Well, the Minister of Highways (Mr. Findlay) is simply putting out into the public discourse an old cliché that they use whether they are talking about students or whether they are talking about health care, whether they are talking about lots of things, because he knows that what he says is not correct.

The minister is implying that you can cut and you can cut and you can cut some more and it is not going to affect kids. Now he is absolutely wrong. The Minister of Highways expects us to believe that you can cut down as low as you like, and it is not going to affect

kids. Well, I am here to tell the minister that he is wrong, that it does affect kids. When you have kids in these schools today who are using textbooks that are so far out of date that they do not have a competitive advantage when they graduate from school, then he is absolutely wrong in what he is saying about dollars and all this stuff that we hear from a variety of cabinet ministers and people across the way about shovelling money.

You know, all you hear from the ministers across the way is that you cannot solve a problem just by shovelling money. Well, you know what? You cannot solve a problem by starving the health care system and the education system either. I have seen it. I have seen what they have been doing in the schools. I have seen the absolute neglect by this government of our public school system, and that is what is happening in this budget as well.

At the same time, you have dropped the ball on apprenticeships, which could be a positive program, a positive concept that has worked well in all jurisdictions from different parts of the world. The Europeans, Madam Speaker, have a great apprenticeship program. I am sure that people across the way here have done some reading on this. I am sure they have talked to people who have approached them and said we have to do this. I am sure they have talked, as I have, to people in business who say that they would be willing to participate in an apprenticeship training program. Why, then, does this government take a whole study, a whole report, a year's worth of work, and put it on the shelf and then show no support for this—oh, through dollars again? I guess that, if you take the Minister of Highways' (Mr. Findlay) analysis of this, you do not need to throw any more money into apprenticeship training either, and that actually the less money you put into it, the more successful the program is going to be, if you take his logic. I mean, two can play that game. I do not know why the members across the way even suggest silly clichés as they do.

* (1530)

The other thing that this government is responsible for in this budget is underestimating revenues, underestimating the amount of money that they are going to bring in. I believe that the Minister of Finance

(Mr. Stefanson) is pretty good at his arithmetic. I think that this is done in a planned way. The reason why I think it is done in a planned way is that this is not the first year that this Finance minister has underestimated his revenue. He has done it in the years previous. He has been chastised by the Ombudsman. He has been chastised by the Provincial Auditor for doing these things.

So what possible reason could there be for this Finance minister to underestimate revenues that he is bringing in? Well, it is pretty simple. If he underestimates his revenues, that means he has more money next year to put into the Fiscal Stabilization Fund, which means he has more money to apply to the province that year so that he can come in next year and say he has another balanced budget, because, if the truth be known, that is the only way that this Finance minister balanced the budget this year, by \$23 million, he says. Well, that is not a very straightforward way of accounting to the people of Manitoba the revenues and expenditures of the provincial government. But I will tell you what it does do is it allows this government the ability to slosh some money over to their slush fund, called the Fiscal Stabilization Fund, and then next year, before the next provincial election, make some more promises about where they are going to spend this money.

But you know what, Madam Speaker? Go to Shoal Lake and ask them what they think. Go to Shoal Lake and ask them what they think of the money that was supposed to go to their hospital before the 1990 election. Go to Shoal Lake and ask them what happened to that money after the 1990 election. Then go back again and ask them what happened to the money for the Shoal Lake Hospital before the 1995 election, and then ask them after the 1995 election where the hospital is. That is being dishonest. Over and over again making promises that you do not come through on, making promises in health care in the city of Winnipeg and then breaking those promises after the election, which contributes to the crisis that we have in health care within the city right here today. That is what this government is responsible for. Its irresponsibility is in not having the Premier stand and tell Manitobans why he cut those programs, why he froze the funding which led to the crisis that we are into today.

Madam Speaker, one of the most deceitful parts of this budget comes in the area of tax reductions, taxes on the part of this government that they got lots of good headlines on in the Free Press, that they hoped to get lots of good headlines in papers throughout rural Manitoba. But that, I suggest to you, is the reason why they went for the tax cuts that they claim to have given, not so much to put money into the hands of Manitobans who need the money but to get the headlines in the papers, because the headlines in the papers are vastly different than the amount of money that the average Manitoban is going to get in their pockets.

I think that what Manitobans have been saying—and I know they have been saying this to me and I suspect they have said it to the members across—is that we have been cut, our programs have been underfunded, we have tightened our belts. We are starting to get into some good times in this province and we think we should benefit from that. Now, the question is are we going to benefit fairly, or are you going to design your tax breaks so that the wealthy of the province can benefit greatly and the low-income people in the province will get a very small, very minute benefit, a small, minute benefit as their dividend in the good times in the province?

Well, I suggest to you that anybody who reads through this budget will see that the answer to that question is obvious. Everyday Manitobans are not going to enjoy their share of the tax benefit that this government is putting forth to Manitobans. They are not even going to come close to getting anything out of this that resembles their share of the provincial good times. The real people out in Manitoba are saying we think there is a problem in health care that you have to deal with; we think that there is a problem in education that you have to deal with; we think that there should be some tax cuts; we think that there should be some money going towards paying the debt.

I do not have any trouble with that, Madam Speaker. I think that is good, prudent decision making to put some money towards the payment of a debt, especially when—and I think it is absolutely appropriate that this government does put a little money towards the debt since it was this government who, for two years in a row, had the two highest deficits in the history of this province. The two highest deficits in the history of this

province were accumulated by this government, so I think it is totally appropriate that you put some money back into it.

Madam Speaker, what I—[interjection]

Madam Speaker: Order, please. I am experiencing difficulty hearing the honourable member for Dauphin.

Mr. Struthers: Madam Speaker, what is not appropriate is to take money out of the health care system and put it towards the debt. It is not appropriate to cut health care and use it to put towards the debt. It is not appropriate to sell a publicly owned telephone system and toss it into a slush fund and then put it towards the debt.

I have no problem with this government taking—I have no problem taking the \$75 million out of the regular expenditure of this government's budget and using that to bring down the provincial debt. I say, good for you. My problem comes when you start cutting health care, education and other programs to fund that debt which you have had a hand in racking up. I have a problem when kids in this province cannot go into schools and be taught out of current textbooks. I have a problem when we have lineups and people for waiting lists for surgery and waiting lists for other medical procedures. I have trouble when you take it directly out of the health care system, when you cut health and put it into debt reduction.

You take it out of the normal budget expenditures, I am with you; but, when you start to take it out of programs and cause further hardship to people in Manitoba, then I think you have gone too far.

Madam Speaker, the other thing that is absolutely clear when it comes to taxes is that not only is this government being fair with the tax cuts that it is talking about, but it is also not being honest in the figures and the facts that it puts forward when it claims that it has not raised taxes over the last 10 years. Here we go again. It is the same old tired stuff that we get from this government.

In the last election they boasted that for seven years we did not raise taxes. The next election they will try to boast that over the next 11 years we have never

raised taxes. You have raised taxes yourselves, but the most dishonest way you have done it is that you got other people to raise your taxes for you and nowhere is that more evident today than with the school system.

Take a look today, just today, at what the talk is in the media. Take a look at local newspapers across this province this week who are announcing, who are carrying stories talking about the amount of tax that is going to be increased at the local level to cover for the cuts that this government has imposed on the local level. It is not right that this government does not have the courage to raise the money it needs to fund a quality public education system, but instead turns to the local level, to the local tax base, to R.M.s, to town councils, to city councils and to school boards and say, you guys raise the taxes. We are giving you a little bit less money, you are going to have to go to your taxpayers and say you are either going to raise their mill rate or you are going to cut services. That is the pattern that this government established because it wants to put up a billboard outside every community in this province saying the Filmon team has not raised taxes in 11 years. It is not the truth. It is not the truth. This government will live by this mistruthful statement in order to get itself re-elected next time.

* (1540)

Well, people are seeing through that. People who have to actually do your cuts for you and people who actually have to raise your taxes for you are seeing through this and so are the people that are having to pay those taxes. When people turn and they look and see their property taxes going up because this government cut education, that is when people will start to realize what a misstatement it is for you to claim that you have not raised taxes. You have raised taxes, you have raised taxes, and then you have raised taxes again.

Madam Speaker, I have talked a bit about the federal government, and I have talked about this provincial government's propensity to blame everything they can on the federal government. At the same time, I was interested to note as I read through the budget the number of times that this government took credit for some of the things that the federal government was doing in the area of taxes, in the area of programs.

One of those areas had to do with the child benefit. On the one hand this government announces that it is going to put money into children and families; the truth is though that it is funded through a clawback of the National Child Benefit. This government, another example since the Minister of Highways (Mr. Findlay) is listening intently across, something for which I do give him credit for, on the one hand the Minister of Highways talks about the extra money that they have put into highways in this province and construction, and he said that he has put more money into it. At the same time, there is money being taken out of the Canada-Manitoba Infrastructure Program, about the same amount of money. How much further ahead are we in the province when it comes to roads and road construction if, on the one hand, you are going to put in an extra \$5 million or so and, on the other hand, you are going to take out \$5 million or so? Why is that, Madam Speaker?

Because, again, this government is not concerned about building more highways or maintaining the highways we have now. This government is not concerned about that. This government is concerned about getting that little political bump out of the polls that will come out having to do with the budget. That is what this government is worried about.

There are several things in Highways that I would also like to address. First of all, I have talked to the Minister of Highways (Mr. Findlay) about this before, and this is another area that is troublesome with this government and with the federal government. I must admit this is one area where I do have some sympathy with the Minister of Highways here in Manitoba, and it has to do with the gas tax, fuel tax.

It seems to me to be implicitly unfair that the federal government can, on the one hand, be collecting millions, their share of the fuel tax and then-[interjection] Like \$150 million or so, and then in the same breath decide it is not going to put that money into the TransCanada or Highway No. 75 or the Yellowhead Route, nothing, no roads. So on that point, I think the Minister of Highways (Mr. Findlay) would have the support of most Manitobans. If the federal government is taking money out of this province, they should be putting some back in; it makes sense to me. So on that point I think the minister can count on

Manitobans to support him in whatever effort he makes to try to straighten out that inequity with the federal government.

That may be one way in which we can get some more money into highways because, although we have put \$5 million more in through this budget, we have taken some out of the infrastructure program, but I think it is pretty well known throughout rural Manitoba that given the circumstances that we are in, i.e., the abandonment of rail lines, the increased amount of truck traffic on the highways, the increased signs of the loads on the highways, the increased activity on our highways, we are going to be looking at over the next period of time, I would think, a significant increase in funding to keep up with the battering of our roads.

Now, this is a big challenge for the current minister. It is a big challenge for any minister, because I think there is going to be a tremendous strain put on our transportation network and, again, here is another example of offloading in this country. I consider it an offload when the federal government abandons a rail line, which is a federal responsibility, dumps it onto the province, because now, instead of moving our grain and moving our timber and moving our products out on our rail line system, they are going to shift to the roads, and everybody knows that is a provincial responsibility. So now it is the province that has to pick up the tab when it comes to funding our transportation system.

Madam Speaker, that puts the minister in a tight spot; I realize that. What it does not do, though, what I disagree with is, I disagree with the move towards taking provincial roads and dumping them in turn onto the municipalities, which is something that has been tried several years ago and was rejected by rural municipalities, which is something that is being looked at again and, in some cases, R.M.s have signed on to take on this responsibility.

Now, this again is an offload; this is another way in which this government is offloading onto the municipal level below it. While I support the minister in his battle with the federal Liberals, I do not want to see any more of the shifting of responsibility from this government to the municipal level, whether that be highways, whether that be through education, whether that be through health care.

Madam Speaker, another shift of responsibility which I think is going to take place as a result of the underfunding in this budget of our health care system is a shift again from the provincial government to the local level when it comes to health care. I do not know how many times we ask questions from this side of the House having to do with funding and simply get the minister's response to be that you are going to dump it off onto the regional health authorities.

It is quite a neat little setup to have a question in the House directed to the minister and then have the minister say: go talk to the regional health authority, when it is this minister who controls the funding, when this minister gives that regional health authority a little bit smaller pot of money to work with and says: go to it, decide where you are going to cut. That is what it comes down to.

Madam Speaker, I see that my time is running near. I think it is quite obvious to people across the way that as of yet I have not been swayed in favour of voting for this budget. When the time comes, on behalf of the people of Dauphin, I will be pleased to vote against this budget.

* (1550)

Hon. Glen Findlay (Minister of Highways and Transportation): Madam Speaker, it is indeed a pleasure to have the opportunity to rise and speak to a very, very good budget. I might take quite the opposite position of the member for Dauphin (Mr. Struthers), which would surprise nobody, but, given the opening comments of the member for Dauphin, I think it is worth just spending a few minutes. He talks about the 150th anniversary of responsible government in Canada, going back to the 1840s when there was no taxation. Yes, citizens at large have always wanted responsible government. Might I remind the member opposite that 10 years ago on March 8 a member sitting right in this seat stood up in the House and voted against the budget of an irresponsible Howard Pawley government that had put this province in debt beyond the citizens' capacity to keep the economy running?

That government, in six years, took the provincial debt from \$1.3 billion, which had been accumulated over 113 years, up to pretty well \$4 billion, an increase of \$3 billion in six years, six budgets of deficits of \$500

million at a period of time when the economy in Canada had growth rates of 13, 14, 15 percent per year, growth in provincial revenue without increasing taxes, but they still increased taxes and they still deficit-financed. The public said enough is enough is enough.

As the members that sat on these benches in the Pawley government refused to listen to the citizens, Jim Walding had had enough. He turfed them out, and 10 years later the fiscal plan that we got elected on, that we are supported on, consistently and continually in this province, is working for the betterment of Manitobans, the existing generation and the generations to come, Madam Speaker.

That member opposite talks about listening to people. He mentioned a certain town in Shoal Lake about a hospital. We had a cabinet tour there two weeks ago. We have had cabinet tours all over Manitoba, which no NDP government ever did because they knew better. They listened to selected individuals, which, I feel sorry for the member opposite, is still doing that. We get support that that member cannot imagine.

His party was in that town a couple of months ago, and they had a big meeting in the coffee shop. Two members, and I think two or three citizens, and that is how he got his opinion. When you listen to 100 citizens that come freely to a public meeting to meet the ministers, then you understand what the people are saying to the member opposite, and the Minister of Finance (Mr. Stefanson) in his consultations listened to some 2,000 members. I question whether that member ever attended any of those budget consultation meetings and heard what the public said. See, he is not nodding in favour of that. He hid from the public because he knew better. Then he talks and twists the facts and misrepresents what is really going on.

I feel sorry for the member opposite when he keeps saying that we have cut health care. Look at the budget that Mr. Walding voted against, \$1.3 billion in health care, and look at today's budget, \$1.9 billion. Now, I may not have done too well in school, but I do know that \$1.9 is \$600 million more than \$1.3 billion. Now, I do not think that he is disputing that fact.

At the same time, the federal government has cut CHST transfers by \$250 million on an ongoing basis.

Now, we have put money in; they have taken money out. Now, Judy Wasylycia-Leis, a former member of this House, NDP member in good standing, recognizes that reality, that every province has to bear the burden of federal decisions. As the Premier (Mr. Filmon) said today, the Canada Health Act started out at 50 percent funding, federal and provincial. Not a bad plan, but today they are down to 15 percent, and they still call it the Canada health plan. How can provinces bear that burden of offloading on an escalating cost to deliver services?

Now, if the members try to hide from that fact—and the member for Kildonan (Mr. Chomiak) hides from that fact—they are only deluding themselves that somehow they will get into power by looking irresponsible. Now, just think about that for a minute. Mr. Walding saw the hypocrisy of that position, and he did what was right because his constituents talked to him. I would recommend the members opposite, do not talk to selected people, do not listen to your spin doctors, get out there and really negotiate and talk with people.

The member for Dauphin (Mr. Struthers) said we have not done anything that helped one patient in one hospital anywhere in the province of Manitoba. That is an unbelievable statement—his face is red right now. I mean, I have talked and heard from hundreds of people that have been through hospitals and have had serious things like cancer and hip replacements and all of this, and the treatment they get is phenomenally good. The outcomes are phenomenally good. Those are the good stories out there. I will not deny that there is the odd challenge, and we are all here to deal with those challenges, but let us speak with honesty and integrity about the whole picture. Because you lose your credibility when you say those kinds of irrational statements, I am sorry. I am sorry.

Now, as we talked to Manitobans they absolutely did talk about a balanced budget is important, and we must continue to maintain it. This is the fourth one. Every province has gone through that approach or is trying to get there. They know the fiscal reality. We are actually going to be making our third \$75-million payment this year, one last year and two this year, and I think the member opposite will recognize that we save a lot of interest by doing that.

In terms of taxes taken in, in the future, that means more money for whatever services the government of the day chooses to spend it on. Manitobans support that very, very strongly. The Minister of Finance (Mr. Stefanson) and all of us heard from Manitobans and said, things are looking better, there appears to be a fiscal dividend, share the benefits. Not just for this group or for that group. Share the benefits so that everybody who bit the bullet to improve our finances in terms of the last 10 years gets some benefits now. And, yes, we have decreased some taxes; yes, we have increased some spending; yes, we have decreased the debt. Those are the three things they wanted, and there is something there for everybody in that context.

Now, you can try to belittle all that all you want, but I think really down deep in your heart you know that this is too good news a budget to retalk about it straight on. You have got to try to twist the facts and manipulate it to make a different story, but the public does not buy that. The public does not buy that. I kid you not, the member for Dauphin (Mr. Struthers) and the member for Kildonan (Mr. Chomiak), I kid you not.

I would like to read some of the comments that people make in Manitoba. Unsolicited comments basically requested by reporters from the Free Press. What do they say? City officials said this is the first time in years new money for street repairs come from the province, outside of agreements require matching funds. Councillor John Angus, chairman of the fiscal issues committee, said council is hopeful. They listened to what we were talking about, he said, and that \$5 million allotted will take care of 21 residential streets. Now if you lived in any one of those streets, I think you would be pretty happy, as Councillor Angus indicates that they will be.

The president of the University of Manitoba again reported in the Free Press. The province has come through, and that is wonderful. I look at this as the first step in the right direction. Klaus Thiessen, CEO of Winnipeg 2000, again, in the Free Press on March 7, the key is that this budget is very balanced. There was some increased spending, tax reductions and debt repayments. [interjection] Now, the member for Kildonan (Mr. Chomiak) does not want to listen to what real Manitobans are saying because he has a

twisted view of what the reality is and he is trying to spin it and I do not think he is going to sell it.

Judy Sawatzky, Manitoba Chamber of Commerce president, CBC Radio, in an interview with John Bertrand, excellent. We had hoped that there would be some increase in the payment on the debt, but even this is more than we expected. Reg Atkinson, mayor of Brandon, CKX TV. [interjection] Madam Speaker, I almost think that the member for Kildonan (Mr. Chomiak) says that the names I am reading off are not real Manitobans. I am disappointed he takes that point of view because these are real Manitobans; these are real Manitobans. Whether they vote for you or for me, I have not asked the question. I am just reading their comments. [interjection] Well, let us not label Chambers of Commerce or labour unions as one side or the other. These are all Manitobans who work hard, earn an income, raise a family, use the education system, use the health care system. [interjection]

Well, let us go on with Mr. Atkinson. There is a 4 percent increase in the Provincial Municipal Tax Sharing that gives this city, Brandon, about \$160,000 that we did not plan on. Bob Swayze, Brandon School Division, for Brandon, certainly, the new technology grant and early literacy grant are important pieces of our budget. The two of them together will bring in excess of \$300,000 into our budget, the computer about \$75,000, early literacy \$256,000.

* (1600)

I just pick a few, Madam Speaker, because these are real Manitobans. These are the ones we encounter in terms of our cabinet tours, the meetings we have, Chambers of Commerce, UMM, wherever it is. These are real Manitobans speaking, telling us as it is, the same Manitobans who consistently have advocated balanced budget, live within your means, keep taxes competitive, and by lowering taxes as the Minister of Finance (Mr. Stefanson) has, we do keep ourself as a competitive place to locate, and the good news, it is out in rural Manitoba, particularly, of all the investments that have happened.

Capital investment in Manitoba has never been better than it is today, and every year for the last seven, it has grown and grown and grown because the people that do

the reviews of where to locate the investments know that this is a very good province. Stable government, responsible taxation, good municipal government, services are here, a good, dedicated labour force, and other costs are very competitive, if not lower.

The Minister of Agriculture (Mr. Enns) had some work done that shows this is absolutely the right location in all of Canada to locate animal-feeding operations, whether it is horses, hogs or cattle, and therefore, obviously Maple Leaf knows that information too, and that is why they made a decision to come here. It could mean 2,200 jobs when it is up to full operation, direct jobs in the operation, and probably another 2,000 jobs, at least, indirectly to supply services to that plant and to haul the product in and out of that plant. That is excellent news for Brandon. The mayor says the population may go up by 10,000—fantastic, fantastic.

But I do hear the Leader of the Opposition (Mr. Doer) say we have got problems in the hog industry. He has not identified them, but politically he thinks that is going to get him some votes. We have challenges in the hog industry that can be met, and this government is taking proactive action in terms of dealing with it to have the expansion that in terms of competitive advantage should be here in Manitoba. We have that opportunity; let us maximize it.

Mr. Jack Penner, Acting Speaker, in the Chair

The same happened in the PMU industry. Members opposite tended to speak against it; the same with Louisiana-Pacific. Opportunities were here. Investment came—you see, the member for Dauphin (Mr. Struthers) waves his hand because he thinks this should not happen, but I cannot imagine the member opposite not wanting jobs. I cannot imagine that because I do not know of anybody who has his thinking cap on who does not understand that balanced budgets mean a stronger economy, and they mean jobs. Balanced budgets mean jobs, Mr. Acting Speaker.

Let us just talk about the good news that is around Manitoba because of this government and the citizens who have made the hard decisions of where to invest, how to work. I will tell the member opposite—and I would hope he knows this—that today versus 10 or 20

years ago, everybody in the workforce has to work a little harder and probably works a little longer, particularly if you are in your own business, and your take-home pay, your net, probably is not any better than it was, but at least you have the social benefit of a job in an economy that is doing fairly well and balanced. These are not the easy days of the '70s; these are the tougher days of the '90s, of global competition that you cannot hide from. I do not care what kind of walls you try to build, but you cannot hide from it. I mean, our success as a province has been taking that opportunity head-on: more investment, more jobs, more products put out, more exports.

Our exports are growing in leaps and bounds, very good news, probably fair to say at least 35 percent of the jobs in the province are based on exports, and that is because people are out there competing and doing an excellent job. The No. 1 export always surprises me when I hear this. It is automotive entities: it is buses; it is agricultural equipment manufactured here in the province of Manitoba. It is not lumber; it is not agriculture. They are important, but the diversified economy we have is because people have seen the opportunity to invest and they continue to. There is a lot of good news out there, a lot of quiet success stories that do not hit the paper that the citizens on average know about, and it is because of successes primarily by being competitive exporting into the export market very, very effectively.

The highways and transportation sector or transportation as a whole, I am proud to say, does generate some 30,000 jobs in the province of Manitoba. Clearly there has been an incredible expansion in the trucking industry. The member opposite referred to roads and the challenges of roads. They are exceptionally real. We are going through an unbelievable evolution in transportation. It was on rail 40, 50 years ago, and if any member thinks about any rural location, which I can more comfortably talk about, what happened in those communities when everything came in by rail 40, 50 years ago, and slowly and steadily it moved from rail to truck. Whether it was the mail, whether it was the cars coming in, whether it was the groceries coming in, whether it was the fuel coming in, and on it goes, or the grain going out, it was all rail, and progressively over the years trucks took over more

of it. Trucks took over more of it. That change has not stopped.

Elevators that take in grain now put well over 25 percent of it out of that elevator by truck, reasons for decisions known only to them. Obviously the trucks are competitive in price, must do better in terms of timeliness of the pickup and delivery and ability to respond to an opportunity wherever that product needs to go. There is more and more product on roads; and, as we have more diversification in terms of processing, whether it is an oilseed crushing plant or whether it is hog operations that consume feed grains, more of it is going to travel by road.

For the member opposite, most of our highways would run 12 percent to 15 percent to 16 percent trucks. The percent of total traffic is trucks, big trucks. Highway 16 runs 21 percent trucks now. That is unbelievable, but it is commerce and it is jobs and it is economic activity. That is all the good news. Yes, we have the challenge of trying to keep up the roads in terms of that wear and tear, and I am glad the member opposite does support our continued initiatives to try to get the federal government involvement in terms of putting some of the tax money they take out of the province, which is about \$150 million a year in fuel tax, back into the road system. My argument to this is how can you logically take money out of a system you will not do anything to keep running? Theoretically, eventually that taxing ability will disappear because the roads will not be able to meet the needs.

That is currently the case around the north side of the Great Lakes. So much of the trucking activity is going through the U.S., we are losing all the commerce of those trucks, whether it is buying fuel or food or whatever it is, because they will not go the northern route because it is just not safe. That is unfortunate in terms of keeping Canada together. I refer particularly to trucks that go from western Canada to eastern Canada; they go through the States. That is unconscionable, but budget after budget, decision after decision, the federal government chooses to ignore this. This argument for federal input goes back 10 years, goes right back to Howard Pawley days, 1987, when the National Highways Program initiative thinking started across the country, and it has picked up steam.

I have tried, and every organization I know involved with roads—the Canadian Automobile Association, the trucking industry, on it goes—is onside with the 10 provinces and the two territories saying federally you have an economic responsibility, a moral responsibility and a constitutional responsibility to contribute to the road system if you are going to tax under the road system. Either that or stop taxing so it leaves us some room to collect revenues from the users and invest it in the roads. But that issue is still around, still got no answers and we as a province putting \$5 million more in, sorry, \$7 million more this year, \$7.1 million, in fact, and \$3.2 million more in maintenance will go a small way to meeting all those demands out there, but only a small way, and we will never give up trying to get federal responsibility to respond in that particular situation.

Other things that we have done in the budget for Highways and Transportation, I want to touch on quickly. We will maintain our \$400,000 in 50-50 grants to municipalities for bridges. Our \$1.3 million commitment to municipalities for Grant-In-Aid streets and continue to do projects in the former LGDs and municipalities which will total over \$3 million. We will continue to maintain our capital in northern airports. This year it will be \$685,000 towards airports as a whole, and there will be \$800,000 dedicated to Wasagamack-St. Theresa Point for development of an airport there under a joint federal-provincial agreement. There is an airport there, but the roads to connect the communities will cost in that approximately \$15-million category. It has been on the books for some time, and we have dedicated \$800,000 to survey and design to get on with that particular project which has been very well supported.

* (1610)

In addition, we have certainly responded to challenges that have appeared in the North with regard to airports, particularly coming out of the accident at Little Grand Rapids, a most unfortunate accident. Subsequent to that, we called together interested parties and have formed an airport safety working group consisting of four chiefs from the First Nation communities, four people from the aviation industry and four people from Highways and Northern Affairs to look at how we can maximize our ability to improve

safety at all our northern airports, and that is a commitment that we are on.

The working group had their first meeting February 17, and the next meeting is scheduled the middle of this month. We are committed to doing what is needed to improve safety in northern airports.

But to the members opposite, the one thing we cannot deal with is bad weather which so often impacts these airports because so many of them are close to water. Water creates fog and all those associated problems that makes it difficult for flying. But the number of air movements in the North is staggering. The airports that we are responsible for, some 22 airports, has over 60,000 air movements a year. That is a lot of air traffic activity.

In addition, I guess we will say in response to federal reductions, they have terminated any federal support to rural airports across Canada in the form of capital improvements, and we will commit after a series of meetings with airport operators and municipalities in southern Manitoba. We have about 30 airports in this category. In this budget there is \$300,000 towards a 50-50 Manitoba airport capital assistance program to facilitate those communities that have airports to continue to do capital upgrades, to redo the surface whether it is gravel or whether it is pavement on an annual basis to keep the airport up to a standard that makes it safe for aircraft movement.

We had a series of six meetings around rural Manitoba to hear input and have a very strong consensus on what we should be doing to work with municipalities in this context, and we have announced it in this budget.

Going back to the overall transportation circumstance that I touched on before in terms of the grain industry, the four western provinces have worked together very well—B.C., Alberta, Saskatchewan and Manitoba—promoting to the federal government that decisions it has been making over the course of the last few years, particularly the elimination of the Crow benefit and railroad abandonment of branch lines, that are going on and on and on because of legislative changes they made under the Canada Transportation Act are going to have a big impact in western Canada. We advocated very

strongly that farmers are getting less income at the farm gate. That is going to cause them to shift crops, shift maybe out of cereal crops and more into livestock feeding. It is going to put more impact on our road system.

We pushed long and hard to get a review of the grain industry. The federal government has announced that Judge Estey will carry out this review, and now that the review is on, it is a two-stage process with the first stage to be completed by May 31 of this year and to be finalized by the end of December of '98. The four western provinces have met as a group with Judge Estey. We have made a written submission to him that represents the joint thinking of the four provinces on how the federal government must do some things to be sure that the grain industry is able to compete, be a reliable supplier of product to customers inside North America and outside North America, to have a system that returns enough income to the farm gate that the rural economies of the three prairie provinces can remain viable and sound, because we believe that everybody has to earn a profit at the end of the day or he is not going to be in business forever and a day.

The general recommendations that the four provinces have made are around promoting a modern logistics system for grain transportation movement, a customer-oriented system that enhances international competitiveness. We want to promote a more effective logistic system through examination of grain handling and transportation supply chain and promoting competition amongst producer choices in the grain handling and transportation system and establishing accountability to improve overall system performance from farm to market.

Mr. Ben Sveinson, Acting Speaker, in the Chair

The most important thing I want to stress in addition to those principles is that the four provinces are together consistently presenting the case for western Canada with the idea that we do not want the federal government or any of its appointed people to say they can divide and conquer between the provinces on this very critical issue for rural western Canada.

There are a few other issues I would like to touch on. Could you tell me how much time I have left? Ten minutes.

An Honourable Member: One more year.

Mr. Findlay: I think it is more like 10 years, to the member for Kildonan (Mr. Chomiak).

Manitoba and the City of Winnipeg are very proactive in terms of promoting north-south trade and the north-south corridor. Some people think of that corridor from Winnipeg south all the way to Mexico, down 75, I-29. As I mentioned earlier, it is an incredible increase in export traffic up and down that road, export to the U.S. and import from the U.S., but we think of Manitoba in a broader context than that. We see the north-south trade corridor from somewhere in Mexico all the way to Churchill. We believe that the OmniTRAX and their investment in that rail line will promote economic activity up there and through that line, in and out of this part of western Canada, that has never been conceived by CN in terms of their operation of that rail line.

Clearly the federal government, Province of Manitoba and the City of Winnipeg have for I think it is now going back pretty well four years been strongly supporting a group of businessmen who developed the Winnport concept, have matured the concept of Winnport, have travelled particularly to Asia in terms of developing ability to move air cargo from Winnipeg to China. We have been pushing hard to be sure that the federal government, in terms of its air agreement with China, did not designate that cargo opportunity to somebody other than Winnport.

It is with great relief that a few days ago the federal government did announce a decision that Winnport had, through Kelowna Flightcraft, the designation to move cargo into China for some period of time. So now that the opportunity is there in terms of having the designation to enter that market, Winnport is on a very fast mission of securing contracts with shippers on this side and shippers over in China to get Winnport up and running, which hopefully will happen this summer, which will generate again a number of increased jobs in Manitoba, value-added activity with that cargo that is going to move in and out of this country.

It will certainly transload to the trucking industry, which will move an awful lot of product into the

Midwestern U.S. more cost-effectively than other arrangements the shippers can make to move cargo, and put Winnipeg again at the hub of transportation. We were the hub in rail, we are a hub in road, we are a hub in terms of passenger traffic by air, and now we will be a hub in terms of cargo transport by air right here out of Winnipeg because some people had a vision. They would not let up on that vision, they were aggressive, they went out and did their homework, and they brought the package together.

* (1620)

Certainly another issue that I want to touch base on very quickly is the issue of the winter roads in northern Manitoba which have been under some level of attack because of the warm climate that everybody has tended to enjoy. We have had serious trouble in getting the winter roads in east of Lake Winnipeg. Because of that, the department saw a need to get on with being sure that we move the cargo, particularly fuel and food, into those communities. A task force was set up involving Indian and Northern Affairs Canada, Emergency Measures, Government Services, Northern Affairs, the Southeast Resource Development Council, Island Lake Tribal Council, Manitoba Hydro, Northern Stores, with Manitoba Highways and Transportation being the lead in terms of being sure that we could develop the logistics of moving critical, essential commodities into those communities. As of Monday of this week, there were some 16 aircraft in the air moving some 13 million litres of fuel that needs to go into those communities, but because of very cold weather in the last few days some sections of the road have been able to be reopened to move some of that winter road cargo. Clearly in the summertime some of the commodities along the east side of Lake Winnipeg can be taken in by barge.

I want to, again, commend my department for their initiative in dealing with a crisis that developed because of the warm winter and the inability of winter roads to function. I also want to again congratulate my department for the way they responded to the flood in the Red River Valley last spring, in terms of the long hours they put in to try to keep roads functioning to keep communities having a link to the outside world for many, many weeks.

Mr. Acting Speaker, before I close, I want to make another comment again respecting what the member for Dauphin (Mr. Struthers) said, and he accused us as the Department of Highways of offloading to municipalities in terms of—I guess he was referring to grading of roads and moving of snow. I want to tell the member opposite that there is over a hundred contracts in place in the municipalities, voluntary contracts on their behalf. Some of them have been in place for 10 years, where communities comes forward and say we can plow the snow more cost-effectively in our town, pay us, we will do it, and we do. Some of those are written, some of them are verbal, and the municipalities that he is referring to, some 30 municipalities, took up an opportunity that we offered to do the same thing on roads in R.M.s—grade them, remove the snow. We pay them an amount that we have agreed upon, and the savings that we encounter in that, we put more gravel on those roads. They are very happy with that.

We are in the second year of that process, and it is working. Now they are asking, well, can we continue beyond the three years? I said let us wait it out, see what are the problems that we need to adjust. It saves us money. I think it is more efficient in total because as I have said many times to the member opposite, we had duplicated equipment out there. They have better equipment than we do; they can do the job. No less work is being done; therefore, there is no less jobs, maybe a few less employees in the Department of Highways, but there are more employees for the R.M.s to do this work. It is efficient; it is cost-saving. Freeze that money to do improvements to the road service, which is really at the end of the day what the majority of Manitobans are most interested in.

I think again I just want to remind the member that we did add some \$3.2 million to the maintenance budget respecting also the increased use of those roads, need to do more gravel, more patching, that sort of activity, but, Mr. Acting Speaker, before I close, I want to make comment to some comments that the Leader of the Opposition (Mr. Doer) made in his speech the other day.

Unfortunately, and I say unfortunately, the member opposite cannot deal with the facts, and he has to start personal attacks, and he made personal attacks against members on this side saying, first we inherited our

money. [interjection] The Leader of your party—and secondly, we married into money. Now, that is incredible. If you cannot deal with the facts, do not make slanderous statements against members of this House. That is all I say. That is disrespectful to us all. I would never make those reverse comments. It is unethical; it is not responsible if you are going to be a politician and a parliamentarian in this world today; it is just not responsible to do that. I do not know why he made those comments. I presume he was addressing us all, but why, and on what basis does he make that statement?

An Honourable Member: Ask him.

Mr. Findlay: Well, I might, but I cannot at the moment.

Another comment I would like to make, I am a strong nationalist in this country, a very strong nationalist. I am proud to be a Canadian, and I have lived in this country in different locations. I have lived outside this country, and I am back here because I am a proud Canadian and a proud Manitoban. I find it incredible that at this moment in time the Speaker in the federal Parliament is wondering about whether we should be allowed to have flags in that assembly. That is beyond imagination that that would even be a debatable question.

People went to war from this country to save democracy in the world, wrapped themselves in the flag. Our flags are here. I would wrap myself in the flag any moment, but the member for Elmwood (Mr. Maloway) is maybe defending the idea that we should not have flags in Parliament. I hope not, because if we are going to have a strong country—and we had comments that our athletes at Nagano should not have as many Canadian flags around. That is incredible.

I just hope the Speaker of the federal Parliament sees fit to remember this is Canada and the Canadian flag represents the Parliament of Canada, and anybody should be able to wear a flag, carry a flag, wrap themselves in a flag whenever they want. And I as a person will say if there is anything that has weakened our national spirit is that we do not wrap ourselves in the flag often enough. People in the U.S. always revere the flag. We do not do that enough. We need to

improve our nationalism, and I hope also that Mr. Charest takes up the opportunity to make Quebec a strong province in the national scene.

* (1630)

Mr. Jim Maloway (Elmwood): Mr. Acting Speaker, I wanted to talk about the free ride that the Tories have been getting in this province over the last few years on the whole issue of debt and the whole issue of taxes. In fact, what will be the legacy of this government when it comes to its logical conclusion next year? This government has run in the last few elections claiming that it has not raised taxes, and, in fact, we know that certainly is not true. What it has done is raised taxes by other means. We have user fees that people are paying, which is another form of taxes. We have property tax credit reductions, another form of taxes. There are major increases in taxes while this government has been in power.

In terms of the debt issue, the Conservatives and members of the press conveniently forget that it was the former Minister of Finance, Doctor Debt, I think we called him, the member for Morris, who added close to \$2 billion to the accumulated debt of this province.

Mr. Acting Speaker, at the rate of repayment that we are currently dealing with, that alone will take 15 years to pay down, the debt that these Conservatives have added to the debt of the province just since they have come to power. This was added by a Finance minister who some regard as the heir apparent to the leadership on that side. We are going to have a terrific time dealing with him if he becomes leader in time for the next election and have him defend these atrocious figures that we have before us.

This problem is not peculiar to this Conservative government. What we have in Ottawa is a combination of Liberal and Conservative governments who, over the last 30 years, have run up the national debt to within the \$600-billion range. Yet the press continue to fall for this notion that somehow these people are fiscally responsible. Now, that is absolute nonsense. When you look at what Brian Mulroney did, a Conservative government in Ottawa did in its eight years in government, you see what it did to the national debt. In fact, I believe it ran it up faster than the Liberal

government. This is after promising to do something about the national debt. Well, it did something about the national debt. It ran it up to unprecedented levels. We only have to look at the Tory government in Saskatchewan of Grant Devine. These are just typical of Tory governments across the country, who, when going into the election, promise that they will do something about paying down the debt. They promise fiscal responsibility and they would get in power and they simply go wild. They spend irresponsibly. They give grants to their business friends. They spend money very unwisely, and they leave tremendous debts when they leave office.

So, Mr. Acting Speaker, I have often wondered why it is that they are able to get away with this. This is essentially a fraud on the public. I will buy and I will accept that the previous government had no better record, but the members opposite have to admit that there were no pretenses there, that the previous government did not promise to pay down the debt. It is these fiscally responsible people opposite, so-called fiscally responsible, who wrap themselves in these promises of fiscal responsibility, who then get into office and do the exact opposite. It is the ultimate in hypocrisy, and I really cannot understand for the life of me why the press have let them get away with this so long.

You know, I appreciate that governments across the country are getting their hands on the debt problem. We have in the past mortgaged our future. We have in a way become slaves to Zurich bankers, and that is what happens when you run up unsustainable amounts of debt. But I will say this, Mr. Acting Speaker, that the economy across the country has been buoyant for the last couple of years and our debt levels currently are sustainable.

I do not think we would argue that point, but that works well, works fine, as long as you have an expanding pie, as long as you have an expanding economy, but we are now, I believe, into our seventh year of expansion. This is an unprecedented expansion, I think the longest period since the aftermath of the depression in the 1920s.

Mr. Acting Speaker, it cannot last. We have seen some evidence that the bubble has started to burst in the

Far East with the currency crisis. In fact, that is affecting the B.C. economy at the current time. In fact, it is slowly moving its way east and will have an effect, that currency crisis will have an effect on the entire country to one degree or another.

That is fine if that problem gets solved and we continue to have an expanding economy, but history tells us that that is not likely to happen. History tells us that, in fact, the boom will come to an end. In fact, some analysts are suggesting that perhaps by the end of this year we will be heading into a recession. So if that were to happen the debts of the province will be that much more difficult to deal with, because now you are dealing with trying to pay down the debt, which is growing through interest payments, and you are doing it at a time when people are suffering and people need supports.

So the normal approach, the Keynesian economic approach is to pay down debts during good times and to run deficit budgets during bad times. We now are in reasonably buoyant times. It is incumbent upon this government to make these necessary steps to start paying down the debt. I for one have no problem with that. I have no problem with the government paying down the debt. It is something that they should have been doing for the last few years, certainly since the economy turned around and certainly for the last seven years. Where I do or where I take issue with the government is the fact that they ignore the role that they play, the role that they played in accumulating the debt, and that is really what I want them to recognize.

In fact, Mr. Acting Speaker, as late as 1973 I believe and perhaps a little bit later Manitoba was running surplus budgets. When you look back into history you find that it was more or less at the time of the Sterling Lyon government that, in fact, deficits started to reach fairly high levels. It escapes me at the moment as to what the numbers were in the first couple of years in the Sterling Lyon government, but I know that there was a certain amount of alarm at the time on the NDP side of the House in Sterling Lyon's first one or two years at what this so-called fiscally Conservative, debt-sensitive new Tory government was up to and was doing. They were now the government of Manitoba and here they were running these big deficits.

So this is a problem that started in Manitoba with the Lyon government. It continued on, accelerated through the Pawley government. It certainly did not stop, and I do not think the Conservatives should pretend that it did, that somehow the tap was turned off when the Conservatives came to power, because they went on for six full years at full tilt running up deficits.

Just for the information of members who may be interested in these figures, we have the largest deficit ever in Manitoba history, was done, was run up at a time when Dr. Debt himself was in charge of the Treasury over there, the former member for Morris, Mr. Clayton Manness.

What did Dr. Debt do that year? He ran up a \$766-million deficit in the year 1992-93, all the while professing to be concerned about the debt and doing something about it when, in fact, the exact opposite was occurring. The very next year the same minister brought in a \$460-million deficit. Mr. Acting Speaker, without going through the picture year by year, the total comes to \$2 billion. Now hardly a figure that should be run up by a government that preaches fiscal conservatism.

* (1640)

So, Mr. Acting Speaker, I think it is time that the Conservatives stopped getting this free ride on the debt side of it, and certainly on the tax side of it. I mean, I have seen the Premier (Mr. Filmon) now paddling his canoe in the last couple of elections, talking about how Manitoba has not raised taxes since he has been Premier, and that is absolutely false, absolutely false. As a matter of fact, the government has embarked on setting up a number of SOAs, special operating agencies, within the government over the last few years. In fact, those SOAs, special operating agencies, have seen fairly large increases in the fees that they charge to the public for their services.

I give you the Vital Statistics as an example, where fees there have jumped for some services from \$20 for a certificate to \$25, just overnight. These SOAs are producing, are basically seen as profit centres for the government. They are projected, if you look at the financial projections for these SOAs, to have substantial surpluses, which we feel that just before the

next election will result in major reductions to the public.

So what we have here is a government basically that is run on a cycle. It is run on a four-year cycle. It is like a machine. You know, they have the spin doctors and the managers who are behind the scenes. I mean, you know what we see here are the monkeys. The organ grinder is carefully hidden elsewhere in this building. So what they do is they set up the system so that there will be a surplus in Workers Compensation, there will be a surplus in all these different SOAs, achieved through overcharging the public for Vital Statistics certificates and other types of user fees and a major surplus in the Autopac account, and then, as they did last time, just before the election, there will be a general reduction to get people in the mood to vote Tory in the next election.

So we can see. You know, sometimes I feel like a chicken just ready to get plucked again, because I can see this operation in place here, but, you see, Mr. Acting Speaker, eventually it is not going to work, because you see this formula has worked for the Tories now a couple of times and they think that it is going to work again.

You know, they may be right. You know, you may be right. You may pull this off again. You may do your pluckings for a third time here, but I have my doubts, because there is, as the old song—I believe it is a Bob Dylan song—talks about a time to sow and a time to reap and a time to live and a time to die, well, this government's time is at that end. I think, regardless of how they manage to play around with statistics and try to fool the public that one more time, in reality their time is at an end, because the public, independent of what their pollsters and spin doctors and so on try to construct for them, the fact of the matter is that this is a tired, old group who have been here, and I ought to know because I have been here watching them for 12 years, and they really are a tired, old group.

If you look, Mr. Acting Speaker, at the statistics as to how long governments last, it is very rare for a government in Canada, or anywhere for that matter, unless it is a dictatorship, to last 10 years. It is fairly rare. In fact, I think the Premier (Mr. Filmon) is now the third longest serving Premier in Manitoba history.

Now, this is something that the members will clap about, and I would encourage them to do it, because I can tell them what the results of that will be. The public at a certain point will take notice that the government has been around for an excessive amount of time, and they will spend their time mulling that whole prospect over, and they will come to the conclusion that it is time to change the government.

I think the member for Lakeside (Mr. Enns) is probably the most understanding of that concept than anybody else here, and maybe the member for Brandon East (Mr. Leonard Evans), because it is only someone who has been around for so many years as he has been who knows what the ebb and the flow is of governments. You only have so much time on the government side of the House, and then you must walk across the floor to the other side, no matter how you are doing.

For example, I only have to look back to Saskatchewan NDP in 1982 when Grant Devine won the government. [interjection] That is right. The member for Burrows (Mr. Martindale) said the NDP had a balanced budget. Not only that, the NDP were 15 to 20 points ahead in the polls when they called the election. Everything looked positive and rosy. They could not possibly lose this election. They walked into the election—35 days later they walked out dragging their tails with six seats. That is all they had. They went from government to six seats, and they went into this thing way ahead.

The former Liberals, my good friends, the former Liberals mentioned Paul Edwards. That is right. You only have to look back to—[interjection] Well, the member for Inkster says he is still a Liberal, but I thought he was a former Liberal MLA here.

Nevertheless, as late as the fall of 1994, Mr. Acting Speaker, polling showed that Paul Edwards would become the next premier. Where is he today? Where is Premier Paul? I have not seen him around in this House since 1995. So some of the best laid plans and the most confident groups have outsmarted themselves and gone down to defeat, so I would not be too confident if I were the Conservative government opposite because of that inevitability of the public coming to terms and coming to grips with the idea that

it is time to change the government. The members will find this out next year. They will find this out in spades next year. Then they will be on this side of the House wondering what happened, those of them who are able to survive the election.

Now, Mr. Acting Speaker, the Conservatives, one of their so-called strong points is to pride themselves on strong management. They suggest they have strong management skills, but there is an old saying that the first myth of management is that it exists. I would say that so far they have managed to survive over the last few years and convince people that as managers they have not done a bad job at all.

But I want to deal with the whole area of broken promises, because this government, particularly in the last election, I believe was on the record as promising not to sell the telephone system. I think that was documented at the time. They turned around and they sold the telephone system. In fact, one of the reasons for the Fiscal Stabilization Fund to be in such a healthy position at this time is because they sold the telephone system. Now that is tantamount to someone selling their furniture to pay for groceries. If it was not for the sale of the telephone system, we would not have the huge surplus that we have in the Fiscal Stabilization Fund.

But, nevertheless, we are dealing with a broken promise here. We are dealing with a promise that this government made to the public not to sell the telephone system, and then they turn around and they did exactly what they promised not to do. So I would like to know who is going to believe them in the next election when they say they are not going to sell the Hydro facilities. Well, the Minister of Highways (Mr. Findlay) laughs, very nervously, I might add. I would like him to try to explain that one to his supporters, in view of what they did with MTS, in view of the promise that they made and the promise they broke. The privatization of the liquor stores. Who is going to believe them when they say they are not going to privatize the liquor stores when they did not tell the truth about the privatization of the telephone system?

* (1650)

So this government has a real credibility problem when it comes to issue of privatization, and passing

pieces of legislation saying that, no, they are not going to privatize Hydro, I do not think is going to placate, certainly not going to placate the opposition, but I do not think will placate the media nor the voters. I will also say that the Tories promised—and this is probably the biggest broken promise of all in the area of health care—in the runup to the last election, these Tories promised, with a lot of fanfare, to spend \$600 million in capital. In fact, they published a list.

I do not know whether they went out with their shovels and turned sod for new facilities, but they willingly took the press. They took the accolades that come with announcing a \$600 million in capital expenditure. I mean, people were quite impressed that a government with Don Orchard in it, the Health minister at the time, and a man with a very severe image problem for this government, was replaced, a new minister was in place, and here was a government that had developed a heart just in time, you know, competence with heart, just in time for the provincial election. You know, enough people in the province thought, well, maybe we should give these guys a second chance. They got rid of incompetence with no heart in the Health minister, and they got a new Health minister, and it looked like there was going to be a new approach. It was going to be a new day.

They promised \$600 million in capital spending. They promised that in spite of the federal cutbacks, because you recall the government spent a lot of effort talking about how the federal government, they could do all these different things if only those mean, nasty federal Liberals would smarten up and quit stepping on their toes and quit cutting. I remember them blaming all of their lack of manoeuvrability on the federal government. If only that federal government would stop doing its cuts.

They said, Mr. Acting Speaker, that regardless of the cuts of the federal government, they were going to proceed and spend the \$600 million in this infrastructure program. Now, they happened to barely win the election—a little help from a mistruth about the Jets, which, of course, never went anywhere—but they managed to hold on to the government. Of course, in short order the Jets disappeared, and just shortly after the Jets disappeared, all this capital infrastructure disappeared. All this \$600 million was now taken off

the table in this Tory shell game, this broken promise, this major broken promise in the election. The \$600 million was taken off the table, put back in the kitty, and why? Because they had won the election. They did not have to answer to anybody for another four years.

So once again, you know, you can fool the people once, but I would not be overly confident about being able to do it a second time. That is what I am saying. You did it once, and I do not think that the public is going to let you get away with it a second time. This time you had better get out and dig some holes with those shovels. You get the Deputy Premier (Mr. Downey) out of the air, off the airplanes, bring him back from his trips, give him a shovel and get him out there to dig some holes for this infrastructure, and you might gradually pull the public back to believing that you are serious this time. But if all you are going to do is make the announcements and pretend that you are going to spend this kind of money, well, we know better, the public know better, that, in fact, after the next election this will be off the table again. [interjection]

That is right. The member for The Maples talks about cardboard fronts for buildings, and I can see that happening with this government. So, it is going to be a little tougher for them to deal with this issue next time.

Now, the previous speaker, the Minister of Highways (Mr. Findlay), talked at length about how we have developed into a global economy, how we are competing on a global basis—

An Honourable Member: We have.

Mr. Maloway: Indeed we have, as the member for Lakeside (Mr. Enns) says, but that I guess is another major flaw and problem with our government and our economy at this point because, ever since we signed on to the free trade agreement, and now we are dealing with the MAI agreements, what we have done is we have essentially turned over the sovereignty of governments to multinational corporations. In fact, what is the point of even electing politicians in the future if, in fact, they are not going to be able to do very much in this sort of hands-off, total hands-off

environment that these people support and promote. I mean, it is the people opposite and their federal cousins with Brian Mulroney who, in fact, brought in the Free Trade Agreement. You know it was the Liberals—John Turner, that great nationalist, was out there beating the dickens out of the Tories and saying, you know, there will be no Free Trade Agreement if I am elected.

Mr. Marcel Laurendeau, Deputy Speaker, in the Chair

The Liberals at that point in time were bound and determined that they were going to do something about the Free Trade Agreement, right? No sooner had they got elected—and it was just a matter of months when Prime Minister Chretien was elected, just a few months after he was elected, quietly signed—one month, the member for Dauphin (Mr. Struthers) says—and he quietly signed on, acquiesced to the changes. I remember him saying, the Prime Minister of the day, that he was going to squeeze all these environmental promises out of the partners and he was going to squeeze all these labour commitments. And what did he do? As soon as he got elected Prime Minister, he just jettisoned the whole deal. But enough said about broken Liberal promises, because we do not have enough time to deal with all the broken Liberal promises. It would take days. [interjection]

Well, you know, the member for The Maples (Mr. Kowalski) is talking about what did the NDP do in power in Canada? The fact of the matter is that what we are looking at here are the two twins, the Liberals and the Conservatives, who ran up this \$600-billion federal debt that is choking us at this point. It was not the NDP, for the member for the Maples, it was not the NDP that had anything to do with the federal debt. So why would you want to blame us for the federal debt?

Mr. Deputy Speaker, the Conservatives in their tax changes went through a process back in 1993 when they significantly broadened the base of the sales tax. At the time I believe they broadened it to the point where it is the broadest sales tax. It applied to the most items of anything in the country. So at that point we started in Manitoba to tax baby supplies and school supplies, and what did they do in the last budget a few days ago? Did we see any relief and any relaxation of the items that are included that they broadened the base to include? Did we see baby supplies being eliminated

from taxation that would have helped families? No. In fact, what we saw was a tax exemption for companies who are developing Y2K software.

* (1700)

Madam Speaker in the Chair

Madam Speaker, Y2K refers to the millennium bug problems that all of society are going to have to come to deal with, come to grips with, in fact, in the next year when computers may not work very well after the year 2000. But what this government did—and, by the way, I mean, this is a reasonably serious problem and a very expensive problem to solve. What this government thinks exempting the sales tax on company corporate software to solve the year 2000 bug problems is going to do, or what kind of signal that is going to send to people raising families is unclear to me because certainly it is a problem.

But to go and exempt it, to exempt the development of Y2K software and make that as a major plank in their budget is something that I fail to understand. I, of course, am not familiar with how much tax money the Treasury is going to forgo as a result of this and I do not even know that the Treasury even knows, because if they do not get their Y2K problems fixed in the next few months, they will not be operating either come the year 2000. As a matter of fact, it is at the point where security systems may not work; it is at the point where elevators may not work, hospital equipment may not work; one airline is not taking reservations, not selling seats for January 2000. So I would be very careful if I were ministers opposite because, starting January 1, 2000, it may be a major shutdown of a lot of systems in this province.

But what the government is doing and a lot of other organizations are doing to deal with the problem is, in fact, they have done their studies. This government is no different, they have done their studies and they have realized that to change the codes, to rewrite computer code, which is millions and millions of lines of code, will be too costly for what is essentially very high-priced help, because what is happening, as the problem becomes more imminent, people are raising the prices. So you are paying double and triple what you would have a couple of years ago if you had had the foresight

to do it then. But people were not thinking about the problem in those terms at that time.

So what has happened is that, as time has gone by, the governments have essentially had to make decisions to simply replace the computer systems. You see that right now as we speak in the Legislative Building here and in other government departments whereby they are planning to replace all 7,200 computers in the next 13 months to make this system year 2000 compliant.

They chose to give the contract for these computers to IBM. The computers will be assembled in Mexico and in the United States. [interjection] The member for Lakeside (Mr. Enns) wants to engage in some debate here, and I wanted to draw his attention to a story that appeared in the Winnipeg Sun yesterday indicating that one of the local companies, Mind Computer, whom this government by-passed in its bid to secure this 7,200 system upgrade, in fact, has gone out and secured a federal contract. So at least the federal government has confidence in the local suppliers, unlike this government, and they have secured a 3,000-unit contract with the federal government, which is roughly half of what the provincial government is replacing right now, with a promise that there may be another similar contract in the future.

This comes about shortly after this group opposite and their cronies made a decision to by-pass the local company. On what basis? That they did not have the expertise, that it could not be done here. In fact, when they asked for quotes, when they sent out the quotation request last fall, they requested that the companies quote f.o.b. Toronto, f.o.b. Mississauga. So a local company would have to add on to their computer quote the price of transporting the product to Toronto. Well, the member shakes his head. That is exactly true. He should check his facts. That is exactly what happened. You placed the local supplier at a disadvantage relative to the people who got the contract, IBM, so over the next year there will be no locally assembled producers on any government desk. This does not imply a whole lot of confidence in Manitoba industry.

You people talk about Manitoba industry, supporting Manitoba industry, right, and at the first opportunity you run off and give the biggest contract in years to

IBM. You do not explain the bidding process. You do not give these people a proper chance to bid.

Hon. Harold Gilleshammer (Minister of Labour): Madam Speaker, it is a pleasure to be able to speak on the 1998 Manitoba budget, one which I wholeheartedly support, and I am sure this House is going to pass next week. I can tell you that the people of western Manitoba and Minnedosa constituency are delighted with it. They are delighted with the fact that we have a balanced budget again, that we have a budget surplus for the fourth consecutive year and that the economy and the jobs are being created in Manitoba. There is a sense of optimism in western Manitoba, and constituents of mine, whether they be reeves or councillors or whether they are mayors—I have had the opportunity to talk to the mayor of Brandon, the mayor of Rivers, the mayor of Minnedosa—all of them are delighted with this budget and the business starts and the expansion that they see happening in the Westman area.

The farm economy is probably enjoying the best time it has in decades. The Maple Leaf announcement which will not only enhance the economy of Brandon but will benefit the surrounding municipalities and towns is seen as a major happening that is going to be taking place in the next few months, in the next few years, creating 2,200 jobs—2,200 jobs in the Westman area.

Part of the optimism, of course, is the farm economy, the jobs, the fact that we have a balanced budget, but there are also the many other events that have happened in the Westman area. I know that some of the members opposite and certainly some members from this side who were out in the Westman area for the Manitoba Games last year, they would have sensed that optimism, they would have sensed the tremendous feelings in the main streets of Manitoba, that the economy is humming along, and people are very positive about the future.

The budget, as I have indicated, if members opposite and all members of the Chamber have an opportunity to read the local newspapers, the weekly newspapers that are now coming out in the rural area, people are very optimistic about the future. People are delighted that the employment rate has fallen to under 6 percent, and they see a strong future, and that is based on the fact

that we have had four consecutive surplus budgets, that we have started a debt repayment plan, making our second payment at twice the level that was indicated in the plan last year, and for the first time in many, many years there are going to be lower taxes for Manitobans.

* (1710)

So there is certainly a feeling of optimism out there and one that we can all take some pride in. Now, the foundation of this goes back to the balanced budget legislation that was passed in 1995. I would like to just remind members of it and perhaps even remind them of some of their comments at that time.

The balanced budget legislation which was passed by this Legislature requires the province to achieve balanced budgets every year and repay the existing debt without increasing any taxes. Of course, we have not increased any major taxes since 1988. It also prohibits any increase in income, sales and payroll taxes unless Manitobans approve that in a province-wide referendum.

So this, to all intents and purposes, means that we have had a freeze in those major taxes since 1988. The balanced budget legislation also calls for a manageable plan to pay down the province's existing debt requiring governments to make annual payments. We made our first payment of \$75 million last year, and we have made a double payment this year of \$150 million. This is very symbolic about the direction this government has taken. This is part of that sense of optimism that exists across Manitoba, and, of course, the fourth plank in that balanced budget legislation was the fact that there would be penalties against the Executive Council of the day should they violate this.

This has been the foundation, the bedrock, of our budget process in the last number of years, and I would remind members that there was severe criticism by the NDP opposition of the day against this balanced budget plan. The member for Thompson (Mr. Ashton) said this bill will not work—totally opposed to it. The member for Crescentwood (Mr. Sale) said balancing a budget every year cannot be defended on any economic grounds. The member for Swan River (Ms. Wowchuk) says no government needs balanced budget legislation.

Virtually every member of the opposition was opposed to this legislation. This is the legislation that has given us the ability to balance the budget, to repay the debt, to have surplus budgets and to also continue the programs to see that jobs and economic growth takes place, that we are living within our means, that we are maintaining the essential social programs, that the private sector is investing and getting involved in business and trade and that we have been able to preserve the high quality of life here in Manitoba.

Every member across the way in their speeches spoke against the balanced budget legislation, every one of them. The member for Crescentwood said this is a bill that is destined to make Manitoba the laughing stock of the financial management world. Well, I would ask the member for Crescentwood to read the reports from the financial community about Manitoba's performance and this legislation today, some three or four years later.

The member for Brandon East (Mr. Leonard Evans) said what is so magical about balancing the budget every year anyway? Do you really think we are going to get the Manitoba debt down to zero? I do not.

We have made a tremendous start on repaying that debt. Every one of the members across the way made derogatory comments about the balanced budget legislation, and now that we are seeing this in effect, we are seeing the tremendous benefits of it.

I would like to maybe quote one more former member of the NDP, leader Howard Pawley, and he probably summed it up the best. He said the NDP sometimes suffers from not enough people would come to them with a business sense. Certainly he could not be further from the truth.

But, you know, it is interesting that former members are seeing the light. Howard Pawley recognized that there was not any business sense in his cabinet at that day, and a former member that sat here with us not too many years ago, Jerry Storie, is saying the same thing. This is a speech that he made last year. He declared himself a social democrat but a fiscal conservative. He implored both the federal and the provincial leaders of the NDP to hold onto their current values while admitting there is nothing wrong with balancing the budget. Jerry Storie was imploring the leader of the

provincial party and the federal party to start seeing that a balanced budget is a good thing. He went on to say: We have to get away from this notion that balancing the budget is a bad thing only associated with the far right. It was some tough words for a party whose priority has always been to support social programs at almost every cost, but he says that every once in a while you have to move, and you have to get out there, and that is the big challenge facing our party.

Other editorialists have also made the same point. The Free Press editorial from 1996 went through chapter and verse how we got to this stage during the 1980s where the debt jumped from \$1.4 billion in 1981-82, some six years later to \$5.3 billion. There is no wonder we see the opposition to the balanced budget legislation. There was no intent on the part of an NDP government to ever balance the books. Editorialists across this province now are lauding that legislation and the fact that we are implementing it.

The other bedrock of the budget consultation has been the fact that the Minister of Finance (Mr. Stefanson) has travelled across this province in the months last fall and in part of January meeting with hundreds and thousands of Manitobans asking for some input on the budget, asking Manitobans what budget priorities should be. He asked them to prioritize spending programs. He asked them about tax reductions, about paying down the debt faster, building up the province's savings account or a combination of all of those things. Meetings were held in all areas of the province. I had the pleasure of attending one in Winnipeg and one in Ste. Rose and listening to Manitobans as they gave the Finance minister some advice on this last budget, and that advice was followed. As a result we have again a balanced budget. We have a further repayment of the debt. We have a surplus. That is what Manitobans want, and that is the direction that the public has given to this government.

But it is not only people in Manitoba that see things that way. I recently was sent a fundraising letter from the Premier of Saskatchewan, Mr. Roy Romanow, who is saying many of the things that Manitobans are saying, and he said: we have beaten the deficit and now we are running a surplus budget. Here is an NDP Premier who sees things the same way, the responsibility of being in government where you have to balance the budget,

where you have to try and run surpluses and pay off debt.

So I would urge members opposite to revisit their comments on the balanced budget, to review where their stand is on the balanced budget, because leaders in other provinces are following our lead. The derogatory comments that members opposite made in 1995 and following certainly must be of a tremendous embarrassment to them today.

So where has this gotten us with a balanced budget? I would just like to go over some of the economic indicators that show the benefits of balanced budget legislation and the fact that we have been able to start repaying the debt and give Manitobans some confidence in their future. In 1996 Manitoba's economy grew almost twice the national rate and in 1997 Manitoba equalled the growth in Canada and enjoyed strong growth in most sectors. Real gross domestic product grew by 2.9 percent, the second highest among the provinces. Employment was up a sharp 2.4 percent in 1997. This was the third largest increase in Canada after Alberta.

The unemployment rate has continued to drop while the federal rate is still over 9 percent and at one time was close to 10 percent. It has dropped in Manitoba in 1997 to 6.6 percent and on a monthly basis recently it was under 6 percent. Manufacturing shipments were up 11.5 percent in 1997 versus 6.9 percent for Canada, so there is a tremendous amount of manufacturing happening in Manitoba. This, of course, has led to a consistent rise in the manufacturing in the province and trading with other countries.

* (1720)

The farm cash receipts have increased by 9.9 percent in 1997, the sixth year in a row in which farm receipts have reached a record level. Retail sales were up 6.9 percent in 1997, the largest increase in 12 years. Foreign exports were up 13.6 percent, so all of the economic indicators have been very, very positive for Manitoba and, as a result, we have seen the growth in industry and manufacturing in Manitoba and a decline in the unemployment rate. All of this can be traced back to the fact that we have a healthy economy, the fact

that we have a balanced budget, the fact that people have confidence in the direction that this government is going.

I would like to turn now to the budget itself and what Manitobans are saying about it. As I have already indicated, it has been well received by Manitobans. Third-party endorsements of the budget were mentioned earlier, and I would like to refer to some of them. The headlines in the daily papers here in Winnipeg indicate that we have increased health care spending by \$100 million, that the loosening of the purse strings have allowed for a number of new initiatives in health care. The budget provides for \$5 million for street repairs, and I know that Councillor John Angus was in the House and praised the government that day. I had the opportunity to talk to him again last night at an event in Winnipeg, and this is good news for the city of Winnipeg.

Probably the most significant part of the budget is the extra debt repayment. It was not more than two years ago that I think over 12 percent of our budget expenditures was on the debt. Now it is under 10 percent and certainly that is going to decline as long as interest rates remain low and we make additional payments against the debt.

I have watched with interest in the House the last few days where members opposite have taken the tack that a \$100-million addition to the base in the Department of Health is not an increase. Most members there have been around long enough to know that if there has been a base increase of \$100 million, that is additional funding that has been built into the Department of Health. A lot of them have made comment about the Special Warrant. If they really want to make an accurate description year over year, then they should look at the Special Warrant that will be probably issued at the end of the '98-99 fiscal year to cover the volume increases that happen throughout the year. A lot of the expenditures in health care are volume driven, whether it is Pharmacare, whether it is home care, whether it is the medical line or a hospital line and others, and as the Health minister has indicated and as the Finance minister has indicated, when there are those needs the government has come forward and met them. [interjection]

I note with interest the member for Crescentwood (Mr. Sale) wants to get into the debate because he has been leading the charge on this issue about whether there has been an increase to the base. The same tactics that he is trying to use on this issue are the tactics that he used in discussing job creation some months earlier. I would refer to an article in the Winnipeg Free Press from January 17, where one of the editorial writers, Mr. Brian Cole, took him to task and referred to the member for Crescentwood as the member who was desperately searching for the gloom and doom in an otherwise upbeat picture. It is an ugly job, but someone has to do it, and no one does it with more flair than the member for Crescentwood—I am quoting from the article. It goes on to say the member for Crescentwood's effort to discredit the Finance minister is a classic case of how to manipulate the numbers to produce what you want to show. Again the example that was used in the Winnipeg Free Press article at that time is the same tactic that is being employed today.

Madam Speaker: Order, please.

Point of Order

Mr. Tim Sale (Crescentwood): Madam Speaker, the minister is quoting from an article. I would like him to quote from the entire article because the article also says that the ways in which we looked at those numbers are perfectly valid, but there are many ways of looking at those numbers. Later statistics indicate that they have been wrong all along on their employment projections, in fact, year over year, January over January, 1,800 new jobs, nowhere near 12,000. The member continues to distort the real world.

Madam Speaker: Order, please. The honourable member for Crescentwood does not have a point of order.

* * *

Mr. Gilleshamer: Well, I would simply point out that these are not my words; I am quoting from a respected editorial writer from our largest daily newspaper, who sits back and analyzes the comments made by the member for Crescentwood (Mr. Sale) and refers to the tactics. He has indicated that the member's efforts to discredit the Finance minister is a classic case

of how to manipulate numbers to produce what you want to show. He repeats that later on, and here again the member for Crescentwood reveals his talent for manipulating facts to serve a political end.

Again, the same tactic is being used on the health care issue. He knows full well that there is a \$100-million increase in the Health budget to the base in health, and if he wants to make an honest comparison, he should look at what additional money will be added by Special Warrant at the end of the 1998-99 budget year. Again other members of this House have often referred to the gloom and doom that members opposite bring forward, and he is doing it again and certainly does not let us down. So if the member wants me to give him an entire accounting of this article, I would be pleased to send him a copy so that he can read Mr. Cole's article and reflect on it and perhaps reflect on the tactics that are referred to.

I just would like to perhaps reference other comments made by the member for Crescentwood here in the Legislative Assembly in May of 1997, where he says: "Mr. Chairperson, I claim absolutely no knowledge in the area of statistics. I have a great deal of difficulty interpreting statistics without somebody on hand to help, so I am not suggesting I know what we ought to do."

So I simply do not have to quote Mr. Cole from the Free Press; I would quote his own words back to him, and again, reference the tactics that we have seen employed here over the last few days as far as knowledge and acceptance of the health care budget. The fact is that we have added significantly more resources to the health care budget, and there are many positive results that have occurred from that.

When we came to government people or patients who had to access dialysis had to come to Winnipeg, and this was the only location. [interjection] Well, the member for Crescentwood (Mr. Sale) wants to get into this. He has already admitted that he does not know anything about statistics, he has been criticized by the press for using tactics that probably are not seen in a very positive light, and now he wants to get into the debate on health care issues on dialysis. The fact of the matter is that we have expanded the dialysis program to many, many centres in the province and, of course,

there is a tremendous number of more patients today than there was at that time. Again, we have responded to the need, just as we have in home care, just as we have with Pharmacare and in other areas as well.

Similarly, more of the funding that has been put into health care has gone into hip and knee replacements. Back in 1988-89, for instance, 309 individuals had knee surgery and replacement. That has more than doubled at this time, so there are additional expenditures, there are additional needs, and we have been able to address those. We have put more resources into health care. It continues to be our largest spending department. It continues to be our highest priority, and I know members opposite take some delight in bringing individual cases to the House without looking at the improvements in the entire system and the conversions that have taken place from the number of acute care beds that are required to the number of long-term care beds that are being put into place.

* (1730)

In addition, we have improved Pharmacare, home care, bone density tests have gone up dramatically as well as a breast screening program that has been adopted within the province. So we have put tremendous additional resources into the health care budget and, again, this year, I would repeat that amount, an additional \$100 million into the base of the health care budget.

I would like to also spend a few minutes on education. This budget was a very positive one for education. I had the opportunity to meet last Thursday night with the Rolling River School Division, which covers the majority of my constituency. They were very positive about the fact that 2.2 percent additional funding had been put into the education budget, and they are able to manage their resources and manage the education system with the resources that they are getting.

Often we hear members opposite and perhaps some within the Manitoba teachers' union talk about the fact that there have been cutbacks. Sometimes there have been adjustments and changes, but I can tell you that in the Rolling River School Division they put out a pamphlet every year indicating the enrollment,

indicating the number of teachers employed and indicating their budget statistics. Consistently they have been able to manage their resources. In fact, if you look at the division 10 years ago, in 1987-88 they had 2343 students. This current year they have slightly less than that, they have 2332 students, so some dozen students fewer, but at the same time they have four additional teachers, plus teacher aides within that school division.

So when people talk about cutbacks in education, unless they can look at the divisions and the hard facts about those divisions, sometimes those words are used a little too glibly without recognizing the actual circumstances. In fact, there was an article in one of the Winnipeg dailies last summer talking about funding in Manitoba being the second highest funding in the nation, that Manitoba spends more on education per student than almost every other province according to a recently published report by a group called the Canadian Centre for Policy Alternatives. I think that is an organization that may be known to members opposite. It highlights the fact that more money is spent on students in Manitoba than any other Canadian province with, I believe, the exception of the province of Quebec.

The last budget that was tabled here last week has drawn a certain amount of attention from the education community. I know that universities and community colleges have been reasonably well satisfied. The president of the University of Manitoba has indicated that the province has come through and that is wonderful—a sense that she is quite pleased with the budget.

Similarly, a couple of people that I know reasonably well, Dennis Anderson, the president of Brandon University, has indicated that this is good news on the students' financial assistance side. He also goes on to praise other parts of that. He says they are seeing an increase in the operating budget in the university system. So the president of Brandon University was pleased with the budget.

Similarly, officials from Assiniboine Community College, which is the community college in my area, Mr. Brent Mills thought that the budget contained a strong commitment on post-secondary education in the

province and there is more money being put into the bursary and scholarship program. He indicated that these were clear signals that they are wanting to expand post-secondary education. Similarly, the chair of the board of Assiniboine Community College also indicated that there was a strong support for education in this budget. So those are two major departments, the Department of Health and the Department of Education, and certainly people in Manitoba in my part of the world have been very supportive of that.

I would like to turn now to some issues that have more to do with my department and indicate that our budget requirements are fairly similar to last year and that we are pleased to be able to do the many things that we do in the Department of Labour with the resources that will be coming our way in this current budget.

One of the issues that does touch on the Department of Labour is a policy decision that the NDP, I understand, passed unanimously at their last convention, and that is to go to a 32-hour work week. There has been substantial discussions about this in the business and labour community. I am surprised I have not heard in any of the speeches from across the way a ringing endorsement of this policy, but I know it was passed with a fair amount of fanfare at their convention. I believe it was passed unanimously. [interjection] Pardon me?

The member for Dauphin (Mr. Struthers) indicates that his support for this initiative is still strong, and I am sure it is strong with all of the members across the way. However, the editorial writers in rural newspapers and in the daily papers have certainly not endorsed this. I know the Chambers of Commerce and people who are in businesses have been quite frightened that an NDP party who claims they would like to be government some day would make a mandatory 32-hour work week. In fact, another editorial writer for the Winnipeg Free Press, Mr. John Dafoe, says this is Gary Doer's policy time bomb. It goes on to say the enthusiastic endorsement of a promise that an NDP government would impose a 32-hour work week on Manitoba employers is a time bomb which the Leader is going to have some trouble diffusing.

There seemed to be no recognition on the part of the NDP party that this would instantly increase labour

costs by 25 percent for every firm in Manitoba, and it would send firms and jobs fleeing from Manitoba. Similar policies in British Columbia are having the same effect out there today, but, you know, it is not only the Winnipeg Free Press. In fact, the only endorsement of the policy that I saw in print was from a newspaper in Thompson—I think it is called the Steel Gauntlet—put out by the union there who are very supportive of it. I do think that members opposite owe it to Manitobans to talk more about this policy that they have, to take some of the fear out of the hearts of business people in Manitoba, to give them a better understanding of it.

I will just maybe quote from some newspapers across the province here. There is another one in Thompson called the Thompson Citizen. It says, The NDP held their annual meeting last weekend and appear to have not learned anything from their last three election defeats. The silliness of the resolution which expects employers to swallow a 32-hour work week with no decrease in pay is hard to believe. We are in a global marketplace and if we do not want the work, it will not take long for someone else to take up the slack.

It goes on in some detail to criticize this policy, and I would hope that as members talk more about it publicly that they might see the folly of their ways. I look forward to the member for Crescentwood (Mr. Sale) maybe giving us more detail on this policy and how it would work and how businesses across Manitoba perhaps could prepare for this in the day, some 30 or 40 years from now, where they may form government again.

The Steinbach Carillon says, NDP convention a winner for the Tories. It says, the first piece of good news was the absolute defeat of any opposition to Gary Doer. This deeply suppressed any notion of a new-age thinking within the NDP caucus. I will go away from that. By an overwhelming vote, they called for a work week to be shortened from 40 hours to 32 hours and the minimum annual vacation to be extended to three weeks from the present two. The new NDP policy has been greeted with derision by Manitoba's business community. A spokesperson for the Chamber of Commerce termed it utterly unrealistic. He pointed out that no other provinces, even socialist-run Saskatchewan and B.C., have labour legislation similar

to what the Manitoba NDP has proposed. The Chamber spokesperson noted that the NDP had not given any calculation of the numbers of new jobs the four-day work week would create, much less an estimate of how many jobs would be lost by such a measure.

* (1740)

That is just an example from Thompson and Steinbach and the Winnipeg Free Press of the way this new policy is seen, and there were many other newspapers that spent some time on this. Again, I would hope that members opposite maybe would spend some time in their speeches to enlighten us on that and make us understand what their thinking was and what direction they are going.

I am also in possession of a number of letters from business people that have been written to the Leader of the Opposition (Mr. Doer), and one here. I will just read the first paragraph. It is: Dear Mr. Doer, Your irresponsible statement in the Free Press of November 16 for union and workers' public consumption of a 32-hour week with no loss of income is not only utopian, it is stupid.

Again, this is a business person who works very hard to run a small business, employ a number of Manitobans and is rather frightened of a policy that is being espoused by the NDP, and certainly one that they would—

Point of Order

Mr. Sale: First of all, I would like to ask the minister to table a document which he has read from and quoted from in the House, if he would do so; and secondly, Madam Speaker, as an elected representative, I have a great deal of compassion for honourable members on both sides of the House who are frightened and anxious and scared. I just want to tell the minister that we just spent two hours with the Alliance of Manufacturers and Exporters. You know, it is strange, this issue never came up. So I want to reassure him that some of the most progressive business people in the province do not seem to share his fear and anxiety, and if there is anything I can do to help lower his blood pressure and

help him feel a little better and not be so fearful, I would be awfully glad to meet with him at any time.

Madam Speaker: Order, please. On the first part of the point of order, the request to table the letter, indeed that is a point of order, and I would ask the honourable—[interjection]

Mr. Gilleshamer: I would be pleased to table the letter. I would point out it has been tabled once before and I would table it again.

Madam Speaker: I appreciate that, and I thank the honourable Minister of Labour (Mr. Gilleshamer). The honourable Minister of Labour, to continue his debate.

* * *

Mr. Gilleshamer: Thank you, Madam Speaker, I would be pleased to table the letter. I am pleased that the member for Crescentwood (Mr. Sale) is out there expounding the 32-hour work week and that he believes he has got support in the business community. I am sure that the more he speaks about it the greater the clarity will come to the issue. I would urge him on every occasion that he gets on his feet to talk about the 32-hour work week and how important it is, and I would look forward to those comments.

I would like to reference a number of other items that have happened within my department. Recently we signed a three-year negotiated agreement with the Manitoba Government Employees Union. We are very pleased with this agreement. It is retroactive to March 29, 1997, and includes wage increases of 1 percent in year one, 1 percent in year two, and 2 percent in year three. As well it includes a 1.5 percent signing bonus and a phasing out of the Reduced Work Week Program from 10 unpaid days off in the first year of the agreement to no unpaid days off in the third year. It also included a new vision care plan which is part of the agreement.

So this was negotiated at the table. The tenor of the negotiations was very positive. We now have an agreement with our very, very valuable employees who served us so well during the flood crisis last year, who on a daily basis worked for the people of Manitoba and

do a tremendous job. The fact that this agreement could be negotiated at the table I think is very, very important, and I think it shows the value we place on government employees and that we do have peaceful labour relations carrying us to the year 2000.

I would also like to say a number of things about the Workers Compensation Board. The Workers Compensation Board has continued its tremendous work. Since I have become minister I have become aware that the debt that had been accumulated in the Workers Compensation Board of \$232 million up to 1988 has now been completely eradicated and paid off, that we have a small surplus in the Workers Compensation Board, and we have been able to reduce rates fairly dramatically. A commitment was made to reduce rates by 5 percent for three consecutive years. In fact, the rates were reduced nearly 11 percent in the first year. The commitment this year is to reduce the rates by 8 percent, and the commitment is to reduce them by at least 5 percent next year.

This has had a very positive effect on the business climate in Manitoba. We are proud of the work that the board and the management of the Workers Compensation Board have put into this effort, and it is certainly good for business in Manitoba. It allows them to reduce their business costs and have some certainty going into the future.

As well, in the last budget round we also announced that there would be \$1 million awarded in research and education grants, and these have been announced. There are many, many groups across the province who are going to benefit from these grants and be able to make the workplace a safer place in the coming years.

We are also very pleased that the Workers Compensation Board has been able to consolidate the majority of their offices to 333 Broadway. It gives us a downtown location. It allows better service to the clients of the Workers Compensation Board and, an added side benefit, it has created or moved 350 jobs to the downtown area as part of our commitment to revitalizing downtown Winnipeg.

There are many other areas of the department that I would have liked to have spent some time on, but I see, Madam Speaker, that my light is blinking, that I am

running out of time. I would like to close by saying that one branch of our department, the Workplace Safety & Health people are doing a tremendous job. I have attended three construction safety conferences in the last two months, and the partnership between employers, employees and government is a very positive one. As a result, we are creating many safer workplaces across the province, and we are proud of the statistics that we have that show that there is increased concern and increased benefits of a safe workplace.

So thank you, Madam Speaker, and I am pleased to strongly endorse this budget.

Mr. Doug Martindale (Burrows): Madam Speaker, recently I sent out a householder to every residence in my constituency called "on your side. . . ." Here is what I wrote.

An Honourable Member: Table it.

Mr. Martindale: I would be happy to table this. On the front page I said:

"The most important document of any government is the annual budget. It reveals the priorities of the government—not just the spending priorities, but all of them.

"On March 6, the Filmon government is bringing down the 1998 budget. At that moment, we should ask ourselves whether the government is trying to improve the quality of life for the vast majority of Manitobans.

"Will a slight increase in education funding make up for five years of cuts? Will more money thrown at health care make up for the closure of hundreds of hospital beds and the layoffs of 1,500 health care workers, including 1,000 nurses? Will it make up for people spending days in emergency ward corridors because there are no beds?

* (1750)

"Will the budget make a difference for the children who make up 40 percent of the clientele of Winnipeg Harvest? Will it make our streets safer? Will it

compensate for the loss of institutions like the North Y at McGregor and College? Will it help the City repair our crumbling streets and sidewalks?

"What are your views on these matters?"

Well, just by coincidence, I did a mailing asking people what their views were, and this time I left the form blank and said, it is your turn. By oversight, I did not allow a space for people's name and address which I think gave people the freedom to say whatever they wanted in a rather uninhibited way. So it was very interesting what people's views were in Burrows constituency.

I think it is no surprise that health care and related issues such as home care, Pharmacare and the privatization of food services were by far the No. 1 issues for my constituents in Burrows. Here are some of the things that people said. They said health care and Pharmacare must be returned to their former levels. Cuts in health care are forcing some Canadians to go south to the States for care. Health care is not what it was four or five years ago. Mr. Filmon, do not get old or sick. Health care cuts have been too drastic for everyone, young and old alike. Health care should be top level, not bottom level. This is because of the monies generated by the two casinos here in Winnipeg. Without our health, where would our province or country be?

Increase spending on health care. All casinos should be nonsmoking. This is a health issue. We need to increase spending on health care. Health care is not satisfactory. I am still waiting and in pain. Lack of hospital beds. Improve health care. Better management of beds and day surgery situations. It is not always in the best interests of the patient for them to be discharged by 10 p.m. because the bed may be needed by someone else. There should not be a need to send someone home just because it has been decided somewhere along the way that this is the way it is done. We have to allow for variables. Not everyone comes out of a general anesthetic the same. Someone should not be sent home from the hospital just because it is deemed the right time. If they are still sick, not walking, not taking fluids, they should be allowed to stay for a little longer.

More education and preventive awareness concerning chronic illness. Americanization of our Manitoba health care is wrong. Monies from VLTs, casinos, should be going toward health care and education.

Doctors and nurses are being run off their feet because of the erosion of health care in this province. Health care has not really changed. People are still falling through the cracks as they did before. Do not close community hospitals like the Misericordia. Health care is terrible, long waits for diagnostic tests, people who are ill are in hospital hallways. Would Praznik or Filmon like to lay on a stretcher in a hallway? We need to hire more nurses and hospital staff. Also, we need to make better use of facilities that we have.

Privatization of food services resulting in jobs being exported to other provinces. Have the Conservative government revealed the cost of one cart which is used to reheat the trays of food? In Ontario, this piece of equipment cost \$80,000 per cart. Where is the savings? \$80,000 per cart. How many carts in each hospital? How many hospitals? How many nursing homes?

An Honourable Member: How many nurses would that pay?

Mr. Martindale: How many nurses would that pay for? Good question from our health critic. There need to be more nursing homes than personal care homes. These cannot be upscale, but for the low- and modern-income seniors; we need more long-term health care facilities, acute care. People are being sent home after surgery without any home care follow-up, especially those who do not have anyone at home to care for them.

For the last 10 years, patients who could have been adequately cared for in personal care homes are remaining in hospital. This is both costly and ineffective because it takes away beds needed for hospitalization. There needs to be more home care staff and follow-up on seniors, et cetera, who have been discharged from hospital before they are truly ready to return home. Cuts to Pharmacare are a tax on all people needing prescription drugs.

An Honourable Member: Repeat that again.

Mr. Martindale: Cuts to Pharmacare are a tax on all people needing prescription drugs.

Now, this government likes to say that there have been no tax increases, but if you look at increases in Pharmacare deductibles, there has been a significant tax increase. It just does not happen to be income tax, which is the only one that this government wants to talk about. So you can see that people have many, many legitimate concerns about our health care system, and that was by far the No. 1 issue that was raised.

Under education, here is what people said about education. Mr. Filmon does not care about our young people. They are our future. You cannot rely on the baby boomers forever. Post-secondary education is eroded, tuition fee is up. Cutting funds to public schools to give to the private schools is unfair and damaging to public school education.

The other major concern in my constituency would have to do with crime and public safety, community safety. Home invasions, homeowners should not have to pay the price which they are paying. High crime rate, feeling unsafe both out and inside our homes because of the increase in crime. Something should be done to increase the safety factor for everyone in our city; like to see more community policing to increase the level of safety in the community. There should be a place for the young people to go so they have something constructive to do instead of hanging around on the street getting bored and into mischief.

Our streets are still not safe; home invasions are on the increase. More and more people are leaving the north end because of the increase in the number of home invasions, gang-related incidents. This is a disease which should be handled now instead of letting it become increasingly hard to deal with in the future. Have more foot patrol police officers. More money should be spent on youth recreational programs and facilities. There should be a place for the young people to go so they have something constructive to do instead of hanging around on the street, getting bored and into mischief.

I certainly am aware of the problems of crime and community safety in my constituency because I also live in the north end, and recently our car was stolen for

the fourth time. Every time I get up to make a speech in this House, my car has been stolen another time. Last session was three, now its four. So I personally know how upset my constituents are because I experience the same problems. Certainly, we heard a lot of criticisms because MPIC was requiring people whose cars were stolen to pay the deductible. I am pleased to know that after April 1 that policy is changing, at least for those who can afford to buy down the deductible.

There is more on crime. Our streets are not safe; home invasions are on the increase. Well, maybe I did read these after all.

Recently I had a public meeting at Centennial Community Centre, and people from Flora Place and the neighbourhood were present. We invited Chief Cassels. We invited a representative of Manitoba Housing. We had Sergeant Ian Mann. We had Inspector Dawson at that meeting, and the City Councillor for the area, John Prystanski, and myself were in attendance. Our Justice critic, Gord Mackintosh, was in attendance.

People brought out their concerns about their personal safety in the neighbourhood. It is not surprising that that neighbourhood was the one that organized it. In fact, a great deal of credit goes to Julia Segal, who did a lot of the organizing, the reason being that there has been a lot of vandalism in the area. One of my constituents Mr. Tom Kowicz was murdered just before Christmas by someone who broke into his home. We are working co-operatively together as a community. One of the ideas that is being put forward is to have citizen patrols, and this is something that the City of Winnipeg police are in favour of.

Now, when I spoke at this public forum, one of the things that I urged was to increase foot patrols and to extend the boundaries. Right now we have foot patrols in a small part of the north end, but I believe it ends at Andrews or Power Street, close to the Merchants Hotel, but I recommended that foot patrols be increased to at least McPhillips Street from the CPR Yards to Mountain Avenue. We know that when the police are visible and on the street that people feel safer. It has positive effects on people's perception of crime and people feel safer, and I think it has a visible effect on

criminal activity, as well, and actually decreases crime as well. The police chief said that if he had more money, he would be happy to increase the foot patrols in the north end.

So these are some of the problems that my constituents are telling me about and which I am working on. It is a very long list of problems which I will have to continue tomorrow when I resume my debate, because people also talk to me about MPIC, about the City of Winnipeg, about social assistance, Workers Compensation Board, jobs and wages, and the Conservative government and taxes and gambling.

There were many, many issues that people brought to my attention which I will read into the record tomorrow, because I think it is important that we listen to our constituents.

Madam Speaker: Order, please. When this matter is again before the House, the honourable member for Burrows (Mr. Martindale) will have 29 minutes remaining.

The hour being 6 p.m., this House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Thursday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, March 11, 1998

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