



**Third Session — Thirty-Second Legislature**  
of the  
**Legislative Assembly of Manitoba**

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**DEBATES**  
and  
**PROCEEDINGS**

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33 Elizabeth II

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The Honourable D. James Walding  
Speaker*



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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Second Legislature**

**Members, Constituencies and Political Affiliation**

Name	Constituency	Party
<b>ADAM, Hon. A.R. (Pete)</b>	Ste. Rose	NDP
<b>ANSTETT, Hon. Andy</b>	Springfield	NDP
<b>ASHTON, Steve</b>	Thompson	NDP
<b>BANMAN, Robert (Bob)</b>	La Verendrye	PC
<b>BLAKE, David R. (Dave)</b>	Minnedosa	PC
<b>BROWN, Arnold</b>	Rhineland	PC
<b>BUCKLASCHUK, Hon. John M.</b>	Gimli	NDP
<b>CARROLL, Q.C., Henry N.</b>	Brandon West	IND
<b>CORRIN, Q.C., Brian</b>	Ellice	NDP
<b>COWAN, Hon. Jay</b>	Churchill	NDP
<b>DESJARDINS, Hon. Laurent</b>	St. Boniface	NDP
<b>DODICK, Doreen</b>	Riel	NDP
<b>DOERN, Russell</b>	Elmwood	IND
<b>DOLIN, Hon. Mary Beth</b>	Kildonan	NDP
<b>DOWNEY, James E.</b>	Arthur	PC
<b>DRIEDGER, Albert</b>	Emerson	PC
<b>ENNS, Harry</b>	Lakeside	PC
<b>EVANS, Hon. Leonard S.</b>	Brandon East	NDP
<b>EYLER, Phil</b>	River East	NDP
<b>FILMON, Gary</b>	Tuxedo	PC
<b>FOX, Peter</b>	Concordia	NDP
<b>GOURLAY, D.M. (Doug)</b>	Swan River	PC
<b>GRAHAM, Harry</b>	Viriden	PC
<b>HAMMOND, Gerrie</b>	Kirkfield Park	PC
<b>HARAPIAK, Harry M.</b>	The Pas	NDP
<b>HARPER, Elijah</b>	Rupertsland	NDP
<b>HEMPHILL, Hon. Maureen</b>	Logan	NDP
<b>HYDE, Lloyd</b>	Portage la Prairie	PC
<b>JOHNSTON, J. Frank</b>	Sturgeon Creek	PC
<b>KOSTYRA, Hon. Eugene</b>	Seven Oaks	NDP
<b>KOVNATS, Abe</b>	Niakwa	PC
<b>LECUYER, Hon. Gérard</b>	Radisson	NDP
<b>LYON, Q.C., Hon. Sterling</b>	Charleswood	PC
<b>MACKLING, Q.C., Hon. Al</b>	St. James	NDP
<b>MALINOWSKI, Donald M.</b>	St. Johns	NDP
<b>MANNES, Clayton</b>	Morris	PC
<b>McKENZIE, J. Wally</b>	Roblin-Russell	PC
<b>MERCIER, Q.C., G.W.J. (Gerry)</b>	St. Norbert	PC
<b>NORDMAN, Rurik (Ric)</b>	Assiniboia	PC
<b>OLESON, Charlotte</b>	Gladstone	PC
<b>ORCHARD, Donald</b>	Pembina	PC
<b>PAWLEY, Q.C., Hon. Howard R.</b>	Selkirk	NDP
<b>PARASIUK, Hon. Wilson</b>	Transcona	NDP
<b>PENNER, Q.C., Hon. Roland</b>	Fort Rouge	NDP
<b>PHILLIPS, Myrna A.</b>	Wolseley	NDP
<b>PLOHMAN, Hon. John</b>	Dauphin	NDP
<b>RANSOM, A. Brian</b>	Turtle Mountain	PC
<b>SANTOS, Conrad</b>	Burrows	NDP
<b>SCHROEDER, Hon. Vic</b>	Rossmere	NDP
<b>SCOTT, Don</b>	Inkster	NDP
<b>SHERMAN, L.R. (Bud)</b>	Fort Garry	PC
<b>SMITH, Hon. Muriel</b>	Osborne	NDP
<b>STEEN, Warren</b>	River Heights	PC
<b>STORIE, Hon. Jerry T.</b>	Flin Flon	NDP
<b>URUSKI, Hon. Bill</b>	Interlake	NDP
<b>USKI, Hon. Samuel</b>	Lac du Bonnet	NDP
<b>WALDING, Hon. D. James</b>	St. Vital	NDP

# LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 30 April, 1984.

Time — 2:00 p.m.

**OPENING PRAYER by Mr. Speaker.**

**MR. SPEAKER, Hon. J. Walding:** Presenting Petitions  
. . . Reading and Receiving Petitions . . .

## PRESENTING REPORTS BY STANDING SPECIAL COMMITTEES

**MR. SPEAKER:** The Honourable Member for Concordia.

**MR. P. FOX:** Mr. Speaker, I beg to present the First Report of the Rules Committee of the House.

**MR. CLERK, W. Remnant:** Your Standing Committee on Rules of the House begs leave to present the following as their First Report.

Your Committee met on Thursday, March 22, Tuesday, April 17 and Monday, April 30, 1984 at 10:00 a.m. in Room 255 Legislative Building. The written resignation of Mr. Ransom was accepted, as a Member of the Committee, on March 22nd and Mr. Enns was elected to replace him.

Your committee recommends that Rule No. 10 be amended as follows:

That the existing sub-rules 10(3) and 10(4) be renumbered as 10(6) and 10(7) and the following new Rules be inserted:

10(3) Not more than fifteen minutes after directing that the Members be called in the Speaker shall order that the division bells be turned off and shall again state the question and shall immediately order the recording of the division.

10(4) Notwithstanding sub-rule (3) the Speaker, after consultation with the Government Whip and the Official Opposition Whip, may direct that the division bells continue to ring beyond fifteen minutes to a specific time set by the Speaker for the exclusive purpose of permitting absent Members who may do so within a reasonable length of time to travel to the Legislative Building to attend the service of the House.

10(5) Where, pursuant to sub-rule (4) the Speaker has directed that the division bells continue to ring beyond fifteen minutes no such extension shall exceed twenty-four hours.

On the matter of intimidation of witnesses and the display of signs and placards, your Committee agreed that Beauchesne's citation 333, which states in part that "Speakers have consistently ruled that it is improper to produce exhibits of any sort in the Chamber", should continue to be strictly enforced whether future committee meetings are held in either

Room 254 or 255 of the Legislative Building or in out-of-town meeting halls.

On the matter of the printing format and colour of the Rules Book, your Committee directed the Clerk of the House to proceed with the reprinting of the Rules utilizing word processing instead of typesetting. Your Committee also agreed that the reprinted Rules should be made to fit the blue binders presently in use and that additional blue binders could be ordered by the Clerk's office, as needed.

All of which is respectfully submitted.

**MR. SPEAKER:** The Honourable Member for Concordia.

**MR. P. FOX:** Mr. Speaker, I move, seconded by the Honourable Member for The Pas, report of the committee be received.

**MOTION presented and carried.**

## MINISTERIAL STATEMENTS AND TABLING OF REPORTS

**MR. SPEAKER:** I am pleased to table the Annual Report of the Elections Commission as required by The Elections Finances Act.

The Honourable Minister of Community Services.

**HON. M. SMITH:** Mr. Speaker, I beg leave to table the 1983 Annual Report of the Department of Community Services and Corrections.

**MR. SPEAKER:** The Honourable Minister of Agriculture.

**HON. B. URUSKI:** Mr. Speaker, I have a number of annual reports to table.

First, the Department of Agriculture Annual Report for the fiscal year ending March 31, 1983; the Annual Report of the Manitoba Water Services Board for the fiscal year ending March 31, 1983; the Annual Report of the Manitoba Agricultural Credit Corporation for the fiscal year March 31, 1983; and the Canada-Manitoba Crop Insurance Annual Report for the year ended March, 1983.

As well, Mr. Speaker, I wish to advise members that we will be sending around copies of the Annual Report from the University of Manitoba which, although it doesn't have to be tabled in the House, will be distributed to honourable members.

Thank you.

**MR. SPEAKER:** The Honourable Minister of Northern Affairs.

**HON. J. STORIE:** Thank you, Mr. Speaker. It's my privilege to table the Annual Report for The Channel Area Loggers Ltd. and The Moose Lake Loggers Ltd. for the Year 1982-83.

**MR. SPEAKER:** The Honourable Minister of Finance.

**HON. V. SCHROEDER:** I'd like to table a Return under Section 20 of The Public Officers Act; and the Auditor's Report and Consolidated Financial Statements for the year ended October 31st, 1983 of A. E. McKenzie Ltd.

**MR. SPEAKER:** The Honourable Minister of Energy and Mines.

**HON. W. PARASIUK:** Mr. Speaker, I have a statement.

**MR. SPEAKER:** The Honourable Minister.

**HON. W. PARASIUK:** Mr. Speaker, I want to inform the Legislature and the people of Manitoba on the effect of the storm in the province on Friday, April 27th, and the impact on the Manitoba Hydro system.

Manitoba Hydro has experienced the most severe damage to the transmission and distribution system in a concentrated area in its history.

The first indication on April 27th, 1984 that there was an icing problem was around 4:00 p.m. when outages occurred on Hydro's transmission and distribution system in the general areas of Morden, Carman, and Elm Creek.

The total area affected is approximately 30 miles wide and 80 miles long, with the westerly edge of the area at the Pembina Escarpment and starting from the U.S. Border extending north to the southern tip of Lake Manitoba.

Mr. Speaker, the heavy rain and freezing 50-mile-per-hour winds from the north continued all day Friday causing an ice buildup to four inches on the lines, exceeding our design criteria on the distribution and transmission system. Due to the quick buildup of ice and resultant line failures, ice melting could only be carried out on a limited number of sub-transmission lines. The number of customers affected at the peak of the storm on Saturday, April 28th were 15,000.

As of this time, Mr. Speaker, approximately 4,500 farm customers are still without service. It is hoped that complete service will be restored by the weekend.

The storm destroyed 3,500 wood poles. In addition, 12 steel towers on a 230 kV transmission line linking Winnipeg to Brandon collapsed. The cost to restore service and to rebuild the transmission system is estimated at the present time to be \$6 million, or double the cost of last year's ice storm. A total work force of 500 people from throughout the province are in the area restoring power. During the peak of the storm the Brandon generating station was used to reinforce the supply of power to the western portion of the province. In addition, power was imported from Saskatchewan to augment the supply.

Mr. Speaker, on behalf of the Government of Manitoba, I want to thank all staff who have worked long hours in a common cause of restoring service. The team work and dedication continued to provide a great sense of pride in the organization of Manitoba Hydro.

In addition, Mr. Speaker, I want to thank the communities and customers affected by the storm for their understanding and their assistance. This assistance was provided by local labor, heavy equipment

and food for tired and hungry crews. When nature destroys what man builds there is a commonality of purpose in rebuilding and restoring service to the areas which have been affected, not only by Manitoba Hydro, but by the great support of local residents.

Thank you.

**MR. SPEAKER:** The Honourable Member for Lakeside.

**MR. H. ENNS:** Mr. Speaker, certainly the Official Opposition wishes to associate itself with the extra efforts that are currently being carried out by the staff of Manitoba Hydro to restore the damage that the Minister's statements referred to. Sir, perhaps we on this side of the House, too many of us are personally very much aware of the nature and the damage that storm has caused. Mr. Speaker, missing from the statement is any reference as to the role played by Emergency Measures Organization. I would assume that is simply a matter of jurisdiction, inasmuch as the Minister making this statement is responding for Manitoba Hydro; that Emergency Measures did play its role in providing the liaison and the help that so many Manitobans required.

I am particularly concerned, and I express my concern at this time about the remaining several thousands of farmers who still do not have service restored to them and, by the comment of the Minister, perhaps will not have that service restored to them for another four or five days. Mr. Speaker, in today's modern agriculture, that is a critical situation. If livestock is involved, it could involve very substantial difficulties if not outright costs to the farmers involved. I would hope that everything possible is done by Emergency Measures Organization in the supply of generators, in the supply of pumps, in the supply of auxiliary heating capacity that may make it somewhat easier for the citizens of Manitoba, who are still without power, to come through this difficult period.

**MR. SPEAKER:** The Honourable Minister of Government Services.

**HON. A. ADAM:** Thank you, Mr. Speaker. I have a statement to make. Mr. Speaker, the freezing rain, snow and gusting rains that swept over south, central and western Manitoba on Friday, April 27 and Saturday, April 28 caused a number of problems for residents and travellers in those areas. The RCMP closed Highway No. 1 West of Winnipeg on Friday evening because of severe weather conditions. A semitrailer traffic accident made the highway impassable to motorists. This left approximately 60 travellers stranded in Portage la Prairie. These motorists were, however, accommodated overnight, thanks to the assistance of the local Canadian Legion, the Army, Navy and Air Force Veterans' Association, the McKenzie United Church and the Provincial Building in Portage la Prairie which remained open all night on Friday to accommodate travellers.

On Friday evening, the Emergency Measures Organization made arrangements for the RCMP to request the Canadian Forces Base at Shilo to send military vehicles out on Highway No. 1 West to rescue stranded motorists and investigate the traffic mishap that was blocking the highway. The damage to hydro

lines was extensive as a result of the ice storm and the areas hardest hit by the storm included Darlingford, Elm Creek, Carman, Graysville, Jordan, Morden, Winkler, Oakville and Miami.

In response to a request from the town of Carman, the Emergency Measures Organization made arrangements to supply two commercial generators to operate the town's sewage treatment plant and water supply pump. These generators were supplied to the town of Carman on Saturday afternoon. In response to a request from Carman, the Emergency Measures Organization supplied the town with four industrial heaters, propane tanks and six smaller generators for lighting purposes.

I'm glad to report that while some motorists and residents of the severely hit areas were inconvenienced by the storm, there were no casualties that I am aware of. Hydro crews have been working around the clock to repair damaged lines and power was restored to most of the affected areas by Sunday. I understand that power won't be fully restored to all areas until the middle or toward the end of the week.

**MR. SPEAKER:** The Honourable Member for Portage la Prairie.

**MR. L. HYDE:** Thank you, Mr. Speaker. Yes, I would like to reply to the announcement that the Minister has made in regards to the severe ice storms that swept across our province over the weekend. We appreciate the fact that the Minister was right on his toes and had the EMO ready to act on short notice such as this. However, Mr. Speaker, I was prepared to ask the Minister a few questions later on in question period but he has pretty much answered all the questions that I had ready for him, that he was prepared and had emergency equipment ready to act when it was needed on short notice.

It was very noticeable to me, Sir, when the storm hit our particular area just east of Oakville that quite a lot of damage has been done to the hydro poles in that area. One can only praise the hard work that the Hydro crews kept up during the long weekend.

Mr. Speaker, I can only thank the Minister once again for the report that he has given and to comment on the work of the department.

**MR. SPEAKER:** The Honourable Minister of Municipal Affairs.

**HON. A. ANSTETT:** Yes, Mr. Speaker, I would like to table the First Annual Report of the Department of Municipal Affairs for the year ending March 31, 1983.

**MR. SPEAKER:** Notices of Motion . . . Introduction of Bills . . .

## ORAL QUESTIONS

### Grass River Provincial Park

**MR. SPEAKER:** The Honourable Member for Lakeside.

**MR. H. ENNS:** Mr. Speaker, I direct this question to the Minister responsible for Mines. My question is, how

many complaints is he receiving about the activities of his colleague with respect to provincial park development and the restriction of any future mining activity in that park? I appreciate that I shouldn't be asking him to comment on a colleague's department's activity perhaps. But as the Minister responsible for Mines, I refer particularly to the concerns being expressed in the northwestern part of the province involving the plans that the government has circulated regarding Grass River Provincial Park and the exclusion of any further mineral development in that area.

**MR. SPEAKER:** The Honourable Minister of Energy and Mines.

**HON. W. PARASIUK:** Mr. Speaker, for the most part I've received copies of letters that have been sent to the Minister of Natural Resources from a couple of organizations and certainly we have taken those under advisement. We've looked carefully at what they had to say and we passed our comments on to the Minister of Natural Resources. I think it's important that the Minister of Natural Resources receive comments from all interested parties, which I think he's doing, and he's proceeding in a fair and balanced way to have continued hearings on this matter. Maybe the Minister of Natural Resources would like to expand on this, as this is a matter directly under his jurisdiction.

**MR. SPEAKER:** The Honourable Minister of Natural Resources.

**HON. A. MACKLING:** Thank you, Mr. Speaker. While it is true that master planning does involve the rethinking and reallocation of use within parks, the purpose of the process is to ensure a rational, reasonable development of our parks system. For example, within the — (Interjection) — Well, some honourable members don't want to hear a reasonable answer but I will endeavour, regardless.

Mr. Speaker, as honourable members will recall, a good deal of time was taken by all concerned in the final establishment of the Whiteshell Master Plan; but involved in that plan is reasonably typical of some of the areas, some of the parks that we are developing, a provision for a variety of uses, so much so that there is, under active consideration, a renewal of mining operation in the Whiteshell. So too, in respect to the Grass River Park in Northern Manitoba, there is consideration for all of the uses that can reasonably be anticipated within that area, including minerals.

Now there is some concern on the part of naturalists; there is a concern on the part of wildlife specialists in respect to certain areas within the Grass River, that would be subject to a good deal of pressure in the event that there was very substantial mining activity. However, it should be possible, through techniques providing for off-site or out-of-park processing of ores, for mining activity to continue in most areas at the park.

**MR. H. ENNS:** Mr. Speaker, a supplementary question to the Minister of Natural Resources.

Mr. Speaker, when you take into consideration that Manitobans generally have every reason to be

concerned when he speaks of master plans, whether it involves the Whiteshell, Grass River, I understand as well as Spruce Woods, is it the policy of this government to severely limit commercial development, particularly of mineral resources in provincial parks?

**MR. SPEAKER:** I am not sure whether there was a question amongst that preamble, but if the Minister perceives one and wishes to answer it, the Honourable Minister of Natural Resources.

**HON. A. MACKLING:** Yes, Mr. Speaker, I did perceive some element of question in the statement made by the honourable member.

The process of planning parks is not a very secret one. As honourable members may know, we do this very openly. The department prepares a draft plan and then puts it out for public consideration. And as he knows, the Whiteshell Master Plan, which was the first plan to go out - and as a matter of fact it went out under the administration of a former government, the first draft - provided for within that plan, mining within the Whiteshell, within intensive zones.

Now that is a planning process; a process that will look at what the park is; what its potential is for various types of recreation; what the resources are in that park area and how they can be best harmonized in a way to benefit all Manitobans, and that does include, in significant park areas, mining purposes.

### Letter re Budget

**MR. SPEAKER:** The Honourable Member for Fort Garry.

**MR. L. SHERMAN:** Thank you, Mr. Speaker. My question is to the Acting Minister reporting for Telephones, or in his or her absence, to the First Minister. I would ask the Acting Minister or the First Minister if they can explain to the House, how it is and why it is that the Budget propaganda letter that was distributed by the Minister of Finance to 27,000 employers in this province last week, went out apparently with emergency efficiency commands and was delivered to those employers overnight, between Tuesday and Wednesday, whereas superannuated pensioners from the Manitoba Telephone System, who were supposed to receive their cheques in the mail last Wednesday, were still waiting through this weekend for the arrival of their pension cheques.

**MR. SPEAKER:** The Honourable First Minister.

**HON. H. PAWLEY:** Mr. Speaker, I would be glad to take that question as one of notice because if there is any undue delay in the delivery of cheques or letters of any nature, then I would certainly want to know whether that responsibility is one that rests with this government, or an agency of this government or with the Post Office, if there is an undue delay. I'll take the question as notice.

**MR. L. SHERMAN:** Mr. Speaker, I appreciate that undertaking by the First Minister. Would he also investigate the question of whether or not special

instructions, special arrangements were made between this government, the Minister of Finance and the Federal Government in Ottawa, the Post Office, to ensure that the delivery of that letter took precedence and priority over other important mail, even the cheques duly and legitimately assigned to go out to pensioners?

**MR. SPEAKER:** The Honourable Minister of Finance.

**HON. V. SCHROEDER:** Thank you, Mr. Speaker. I would like to give the member some background to that letter, because it appears that the letter is attracting some attention on the part of the opposition.

**HON. R. PENNER:** I've noticed that.

**HON. V. SCHROEDER:** The letter itself was printed by the Queen's Printer which retained the finished copies of the letters and did the envelope insertion operation over the weekend commencing on April 19th. It was completed by April 24th in the morning. The Department of Finance Branch personnel took custody of those letters at that time. The Taxation Branch personnel made arrangements with the Winnipeg Federal Main Post Office for them to accept delivery of the letters about 9:30 p.m. on Tuesday, April 24, 1984. As a result, the Post Office indicated to the branch that at least city employers, or the bulk of them to whom the letters were addressed, would receive the letters on Wednesday, April 25, 1984. I just want to make it very clear that there were never any communications between myself and any government officials, or any officials of the Post Office.

The letters remained in the custody of taxation personnel to 9:30 p.m., April 24, 1984, the night of the Budget Address, which was about the time when the tax changes were being announced in the House. At no time during the entire process did the letters leave the control of branch personnel until they were delivered to the Winnipeg Main Post Office.

I must say, I appreciate the fact that staff of the Department of Finance and the Queen's Printer, I think, did a very efficient job. I believe as well that the Post Office did an efficient job. I would hope that they could also do an efficient job delivering other letters.

**MR. L. SHERMAN:** Mr. Speaker, I thank the Minister for that explanation. I would have to say, I'm not so sure that superannuated Manitoba Telephone System employees would be inclined to agree that it was a very efficient job since many of them are still waiting for their cheques today.

But may I add one additional supplementary question, Mr. Speaker, and ask that Minister whether he can confirm that the undertaking to distribute that letter of his cost the taxpayers of Manitoba something in excess of \$20,000.00?

**HON. V. SCHROEDER:** Mr. Speaker, I want to make it very clear, there were no additional costs involved, but I should also say that I have talked with several employers, one of whom I talked to just this very afternoon, who still has not received the letter. So although there will be some who received it immediately, there will be some with respect to whom it will take a little longer period of time.

**MR. L. SHERMAN:** On the other side of that equation, Mr. Speaker, I know some employers who got two letters.

### Health Sciences Centre

**MR. L. SHERMAN:** Mr. Speaker, I'd like to direct a question to the Honourable Minister of Health arising out of the decisions that were apparently made on Friday with respect to restructuring of the administrative cadre of the Health Sciences Centre, and ask him whether the Minister is satisfied that there is sufficient administrative and management expertise in place at the Health Sciences Centre at the present time to keep that facility on a quality and efficient track of operation for the next six months.

Apparently the projection is that it will take some six months to find the new vice-presidents who are being sought. Who is going to keep the ship on course in those six months?

**MR. SPEAKER:** The Honourable Minister of Health.

**HON. L. DESJARDINS:** Mr. Speaker, I stated publicly and I still feel that the Board and the Officers of the Health Sciences Centre are on the right track. This happened only on Friday. The press release - I did receive a copy as a courtesy. This was a decision made at the board and the press statement followed the meeting of the board. No doubt, now that this has been looked at by the board, there will be discussion between the Manitoba Health Services Commission and the board. If there is any way that we could help with anything, we certainly will. But I am awaiting the recommendation of the Manitoba Health Services Commission at this time.

**MR. L. SHERMAN:** A final supplementary, Mr. Speaker. Can the Minister advise the House why the general public and the taxpayer who funds the Health Sciences Centre to the extent of \$147 million a year - that's last year; it would probably be 150-plus this year - why the taxpayer and the general public has been denied access to that management report?

**HON. L. DESJARDINS:** I don't know that they will be denied. I haven't heard from the board as such. It might be that they will not release it, and we would discuss that with them. But I think that at times, it's not necessarily a good thing to release all the reports; the main thing being as long as it takes the proper correction and that it rectify the problems. I think that's the main thing.

### Councillors' pensions

**MR. SPEAKER:** The Honourable Member for Kirkfield Park.

**MRS. G. HAMMOND:** I have a question, Mr. Speaker, for the Acting Minister of Urban Affairs. In view of the fact that this government changed The City of Winnipeg Act to allow councillors to bring in their own pension plan, is the government now planning to bring in legislation to curtail or eliminate the powers that this government gave councillors to set their own pensions?

**MR. SPEAKER:** The Honourable Minister of Culture.

**HON. E. KOSTVRA:** Thank you, Mr. Speaker. I'll take that question as notice on behalf of the Minister of Urban Affairs.

### Teachers - term contracts

**MRS. G. HAMMOND:** Mr. Speaker, I have a question for the Minister of Education. Almost two weeks ago, I asked the Minister if she could tell us if school boards would be able to hire experienced teachers on term contracts. I was wondering if she had the answer at this time.

**MR. SPEAKER:** The Honourable Minister of Education.

**HON. M. HEMPHILL:** Yes, Mr. Speaker, I do. I did have the answer, I think, once earlier. The member was not in her seat and I wanted to wait and give her the information directly.

Presently we don't have a contract for term employees. You only have one contract when you're hiring teachers. All school divisions, once they've decided to hire a teacher, are required by law to sign that form within a two-week period. There are problems with it and we have identified them some time ago.

The problems are these. They must conform to all the requirements of hiring a permanent teacher, and they can only terminate by one of the following methods: either by mutual consent; by written notice given at least one month prior to the 31st day of December or the 30th day of June; or in case of emergency, one month's notice or one month's salary in lieu of notice.

Now this clearly causes problems for boards who want to hire for a one-month period, for a three-month period, perhaps for illness or maternity leave, because they must conform to that Form 2 contract. What boards have been doing for some time, is adding clauses to the Form 2 contract, or adding additional sheets of paper with an additional clause that both agree to. However, this is not legal and the only way it could become legal is to submit it to my office for approval and I haven't had any submitted to my office for approval.

What I have done is set up a committee that has been working now for about six to eight months. It has representatives of MASS, Trustees, Teachers, Superintendents and they are looking at, either amending the Form 2 contract for term employees or recommending a separate contract for term employees to deal with this difficult issue.

### Lotteries and bingos - changes

**MR. SPEAKER:** The Honourable Member for La Verendrye.

**MR. R. BANMAN:** Thank you, Mr. Speaker. I direct my question to the Minister in charge of the Manitoba Lotteries Commission and would ask him, in light of some announcements made this past week and with regard to bingos and lotteries; and in light of the fact that we've been asking the Minister for a detailed and comprehensive report dealing with the Lotteries

changes which he is proposing, I wonder if the Minister could tell us when he will be tabling that in this Legislature.

**MR. SPEAKER:** The Honourable Minister of Health.

**HON. L. DESJARDINS:** Mr. Speaker, that is the reason why you have the Estimate Review is to get this kind of information. I did state earlier that I would try to have something condensed, some comprehensive statement or document that would give all the changes and I still hope that I'll be able to have that ready for the House and I'll do that as soon as possible. This is not an easy thing to do because the changes are not all made at once. There's discussions with the different groups, but I think that most of it now is in place and I'll have this document prepared as soon as possible.

**MR. R. BANMAN:** Since the Minister is undertaking a major shake-up of the lotteries and bingo fields, and since both members of the opposition and I know for a fact that government MLAs and Ministers are receiving very many calls from, not only service clubs, from community organizations and from individuals dealing with this lotteries matter, I wonder if it wouldn't be in the best interest of all people involved, including the Members of the Legislature, that we know exactly what direction the government is taking with regards to bingos and how they will affect the small non-profit groups. So I would ask the Minister if he couldn't give the House some undertaking that within the next very short while he will be providing us with documentation as to exactly what he is contemplating.

A final question to that is, Mr. Speaker, could he confirm that the May 1st deadline, which was originally set by him, has now been moved forward and that he is contemplating further changes to the original document and regulations which he sent out to the bingo participants and the lotteries people?

**HON. L. DESJARDINS:** No, Mr. Speaker, I don't intend to make any other commitment that I've made. I said that I will have this ready as soon as I can and give it to the Members of the House. In the meantime, most of it could be found in the copy of the Information Services statement that I've made, the same statement that I've made to the press over the last few months. Most of it will be found there.

**MR. R. BANMAN:** Mr. Speaker, a further supplementary. Since all the Members of the Legislature are being bombarded by phone calls and by letters with regard to bingos and lotteries in this province, I am not questioning right now exactly the approach that the Minister is taking in dealing with this, but we have a right, as legislators, to know what is happening. I know that members opposite are receiving the same calls we are, so I would implore the Minister if he could not instruct his staff to provide Members of the Legislature with details of what is going to happen?

**HON. L. DESJARDINS:** One of us doesn't understand English. I made the statement, and I'll repeat it again, that I'll try to get as much information as possible, that that paper will be prepared and, as soon as I have it,

I'll give it to the Members of this House. I'm not going to go and make any other further commitment than that. In the meantime, you'll find all that information in the Information Services copies that you get from the government.

**MR. R. BANMAN:** Did the Minister announce a delay in the deadline for the implementation of the new Lotteries-Bingo Regulations in this province?

**HON. L. DESJARDINS:** As my honourable friend knows I did; yes, I did.

### Aberdeen School - estate

**MR. SPEAKER:** The Honourable Member for Elmwood.

**MR. R. DOERN:** Mr. Speaker, I'd like to direct a question to the Minister of Education concerning Aberdeen School in Winnipeg which could have received \$500,000 from an estate, from a former graduate now having spent some time in the United States and I believe passed away.

Mr. Speaker, I'd also like to ask the Minister whether in view of the fact that the Winnipeg School Board apparently dropped the ball in regard to using this money for the neighbourhood, for the school, for the children who attend, was the Department of Education involved in this unfortunate affair, and could the Minister indicate whether the department was approached, or have they been approached since, to assist the Winnipeg School Division in recovering this \$500,000.00?

**MR. SPEAKER:** The Honourable Minister of Education.

**HON. M. HEMPHILL:** Mr. Speaker, the answer to the first question is, no, the Department of Education was not involved, and I believe that we have heard this information, perhaps via the grapevine or indirectly, but have not had a direct approach from the Winnipeg School Board.

**MR. R. DOERN:** Mr. Speaker, in view of the size of the amount of money and the benefits that could be derived from it for the children in the Aberdeen School area, would the Minister be willing to contact the Winnipeg School Board in an attempt to approaching the lawyer and/or the family with a view to accessing these willed monies?

**HON. M. HEMPHILL:** Mr. Speaker, I'm prepared to discuss with any school division any matter that would be of interest or concern or would help all of us in delivering better educational services to the children of Manitoba.

**MR. R. DOERN:** Mr. Speaker, we realize that. I'm asking the Minister specifically whether she would contact the Winnipeg School Board and offer to send down a team, or send a representative, to meet with people responsible for the estate in an attempt to recover these monies which were specifically willed to Aberdeen School and have now been fumbled away.

## Catholic Schools Trustees Association

**MR. SPEAKER:** The Honourable Member for Morris.

**MR. C. MANNESS:** Thank you, Mr. Speaker. My question is to the Minister of Education. On Friday last I asked whether the Minister and the government was taking seriously the statements of the Catholic School Trustee Association, that will seek legal redress for the underfunding of independent schools. She saw fit to answer, not definitively at all. Today, can she tell us when the government will be making an announcement regarding the funding to independent schools?

**MR. SPEAKER:** The Honourable Minister of Education.

**HON. M. HEMPHILL:** Yes, Mr. Speaker, I can. It's the same answer I gave last Friday, when my Estimates are tabled and all grants are announced.

**MR. C. MANNESS:** Mr. Speaker, I would ask the Minister why all the other grants have been announced, except the grants that apply to independent schools?

**HON. M. HEMPHILL:** Mr. Speaker, that's not so. There have been very few grants that have been announced. There are hundreds of grants in the Educational Support Program and most of them have not been announced.

**A MEMBER:** The majors have all been announced.

**MR. SPEAKER:** Order please.

**HON. M. HEMPHILL:** The ones that have been announced have been announced for reasons of outside agencies, like school boards, having legal requirements to finish their budgets and needing information in advance from government. However, all other organizations and institutions will receive the information when my Estimates are tabled.

## Family Life Program in schools

**MR. SPEAKER:** The Honourable Member for Morris.

**MR. C. MANNESS:** Mr. Speaker, the Minister seems to indicate unless there's a legal obligation, she doesn't see fit to make an announcement ahead of time.

Mr. Speaker, I understand that the Manitoba Federation of Independent Schools was asked to meet with Dr. Nicholls on Wednesday last. Can the Minister indicate the purpose and the outcome of that meeting?

**HON. M. HEMPHILL:** No I can't, Mr. Speaker.

**MR. C. MANNESS:** Mr. Speaker, I have been inundated, as I'm sure the Minister has, for Manitobans who would request a copy of the optional Family Life Training under the new health curriculum.

I thank the Minister for first of all providing me with a copy of the curriculum. What is being done to make available to all Manitobans, parents, who request that material, to determine for themselves the contents, what is being done to make available that material to them?

**HON. M. HEMPHILL:** Mr. Speaker, everything that could possibly be done in this regard is being done. I don't say that facetiously, I say that honestly.

The people in the community - this is an optional program - and before that program can even be considered to be put in place in the school division, if a school division is thinking of putting the Family Life Program in, they must go to the community, they must go to the parents, and they must have an informational meeting and make the entire program available, explain it to the parents, give them an opportunity to review the entire curriculum, and then make a decision on the following basis, Mr. Speaker.

A community can decide to put the program in place in its entirety, to modify it or alter it, or to put in pieces of it, so that the final decision on whether a program goes into a school or a school division will be I think with the parents, so they are full partners in that decision.

In terms of other educational institutions or individuals who are interested in knowing about the curriculum, but who may not be in a school division where consideration is being given to pilot the program, then those individuals - and I have made this offer to the member opposite, in fact, to all the members opposite and made it to many individuals and educational institutions - were quite open to have the material reviewed and examined and have made the offer that we will set up a meeting in my department with professionals and with my staff, to go through the curriculum materials with them.

**MR. C. MANNESS:** A final supplementary question, Mr. Speaker. I asked the Minister why she is being so secretive on this matter. There are parents, of course, as she's indicated who do not have access within their school divisions to the piloting material, who want to have an opportunity to put their say into the development of the curriculum. How can they make intelligent comment regarding that material if they do not have access to it?

**HON. M. HEMPHILL:** To my knowledge, Mr. Speaker, there has - and I'll check with my department - there has been some requests for meetings with my department to review the materials, and there have been some offers made to individuals or to members who indicated an interest in reviewing the materials who turned down the offer to review the materials through my department. But to my knowledge, there isn't anybody that has made a request to review the materials that we've not been prepared to set up a meeting to do so. If they have any information to the contrary, I'd be delighted to hear it.

## Camperville - self-government

**MR. SPEAKER:** The Honourable Member for Swan River.

**MR. D. GOURLAY:** Thank you, Mr. Speaker, I have a question to the First Minister.

I wonder if the Premier today can indicate whether any member of his Cabinet, or in fact any member of the government, has had an opportunity to consult with the community of Camperville to resolve the self-government situation that they are promoting in that community.

**MR. SPEAKER:** The Honourable Minister of Northern Affairs.

**HON. J. STORIE:** Mr. Speaker, for the information of the honourable member opposite and all Members of the Chamber, a meeting was tentatively scheduled for last Thursday. It has been postponed until tomorrow sometime. Of course, apart from meeting myself with the Mayor of Camperville, there have been ongoing discussions with the community council and that will be continuing to help define how the situation relates to the Department of Northern Affairs.

As I indicated previously, and was supported by the Mayor at that time, there is no change in relationship with the Department of Northern Affairs and the community council of Camperville.

**MR. D. GOURLAY:** Thank you, Mr. Speaker. I direct a question to the Minister of Natural Resources and ask the Minister whether he has had any consultation with the Camperville community with respect to that community selling their own fishing licences to residents of the community.

**MR. SPEAKER:** The Honourable Minister of Natural Resources.

**HON. A. MACKLING:** No, Mr. Speaker, I haven't been made aware of any sale of licences.

#### **Availability of standby generating units**

**MR. SPEAKER:** The Honourable Member for Pembina.

**MR. D. ORCHARD:** Thank you, Mr. Speaker. My question is for the Minister responsible for EMO.

Are standby generating units available to farm customers of Manitoba Hydro, whose power is out in the Southern Manitoba area, from EMO?

**MR. SPEAKER:** The Honourable Minister of Government Services.

**HON. A. ADAM:** Mr. Speaker, in response to the honourable member's question, there was some co-ordination by EMO to provide generators to the Town of Carman. The first response, and I'm sure the member is aware, that any requests for additional assistance should come to the local government first and if the local government cannot handle the request on their own, they then can call on neighbouring municipalities or the EMO who will co-ordinate and assist in any way possible.

**MR. D. ORCHARD:** I thank the Minister for that information, but I didn't ask him for that information. I asked him, does EMO have standby generators available for lease or for loan to farmers in need of same; and furthermore, do they provide a co-ordinating list of available generators as was suggested to the previous Minister responsible for EMO under similar circumstances about 14 months ago?

**HON. A. ADAM:** Mr. Speaker, I would have to take as notice whether EMO keeps on hand a stock of generators.

I know that a number of departments do have equipment pumps and other equipment that is available, and that is where EMO comes in and co-ordinates this information; and that information is obtained on very short notice as to where the equipment is.

To be specific as to whether EMO has on hand a stock of generators, I would have to take that as notice because I do not believe it is the role of EMO to stock equipment, but rather to co-ordinate where that equipment is and get the equipment to where it's needed.

#### **Atikaka - wilderness area**

**MR. SPEAKER:** The Honourable Member for Emerson.

**MR. A. DRIEDGER:** Thank you, Mr. Speaker.

My question is to the Minister of Natural Resources. Can this minister indicate whether his government had designated the Atikaki area in northeastern Manitoba as a wilderness area?

**MR. SPEAKER:** The Honourable Minister of Natural Resources.

**HON. A. MACKLING:** Yes, Mr. Speaker. The area commonly referred to as Atikaki has been designated as Park Reserve. Presently staff are meeting with interested groups to confirm recommended boundaries for the reserve. It would be primarily a wilderness park but, of course, there are continuing interests within that area that we believe can be accommodated which included trapping, forestry and some lodge operations - some commercial sport fishing lodge operations.

**MR. A. DRIEDGER:** To the same Minister. Can the Minister indicate whether mechanical restrictions are going to be put on, as well as mining exploration restrictions, in that area?

**HON. A. MACKLING:** Mr. Speaker, it would be foolhardy for me to speculate as to the appropriate zoning for all parts of the park. That process will be a public one; there will be a draft plan coming forward in due course and everyone, including the honourable member, will have an opportunity to weigh the recommendations and make proposals in respect to that development.

**MR. A. DRIEDGER:** To the same Minister, a final supplementary. Can the Minister indicate the size of the proposed Atikaki Park area?

**HON. A. MACKLING:** Well, it would be pure speculation for me to give the number of acres or square miles at this time, Mr. Speaker. I'll just say it's going to be a very big park.

#### **Loss of livestock due to storm**

**MR. SPEAKER:** The Honourable Member for Portage la Prairie.

**MR. L. HYDE:** Thank you, Mr. Speaker.

My question is to the Minister responsible for EMO, following his report on the ice storm.

Could the Minister indicate to the House whether there was any loss in livestock numbers due to the breakdown supply of hydro power over the weekend? Referring, Sir, of course to the broiler industry, the chicken industry, and the hog industry throughout the province, Mr. Speaker?

**MR. SPEAKER:** The Honourable Minister of Government Services.

**HON. A. ADAM:** Thank you, Mr. Speaker.

We have at this time received no reports of any major damages outside of what I have outlined previously in my Ministerial Statement.

### Semi-dwarfed wheats - use of

**MR. SPEAKER:** The Honourable Member for Morris.

**MR. C. MANNESS:** Thank you, Mr. Speaker. I'd like to address my question to the Minister of Agriculture if I could.

Mr. Speaker, I'm wondering why the Department of Agriculture has not seen fit to take a position in the raging debate, within the grains community within Manitoba, regarding the use of semi-dwarfed wheats within Manitoba? I'm curious as to whether the department has an official position on using American semi-dwarfed wheats.

**MR. SPEAKER:** The Honourable Minister of Agriculture.

**HON. B. URUSKI:** Mr. Speaker, the problems that are associated with the use of semi-dwarfed wheats are being debated, I believe, in the university community and through the Federal licensing agency dealing with the grains industry. The Manitoba Crop Insurance Corporation, as well, is looking at the possibility of licensing some of these varieties, should they be here on contract. But in terms of taking a specific position vis-a-vis the use of these grains, we have not taken a front approach since the jurisdiction of the licencing of grains does not fall on the Department of Agriculture.

**MR. C. MANNESS:** Well, Mr. Speaker, I would question the Minister as to why the government doesn't. It's been proven that these wheats are higher yielding in the area of 20 percent and I would ask him, again, does he not see a major benefit to this province if farmers do grow these varieties of wheat, and what is preventing this government from becoming involved in this whole discussion?

**HON. B. URUSKI:** Mr. Speaker, the Government of Manitoba has not involved itself in the direct marketing of grain; that is left up to the federal agency of the Canadian Wheat Board.

The problems that have been associated with the use of semi-dwarfed wheats vis-a-vis the wheat milling market, have been borne out and there is great concern, as the member well knows, within the industry that the use and the injection of these grains into the market may, in fact, hurt the marketability of our hard wheats that are now being used for milling, Mr. Speaker. It

would likely - and I use this as an opinion without having great knowledge of the finite points in the grains industry - that it may do more harm in the short run to move that way, especially when the Canadian wheats have been world renowned for their fine milling qualities. And to just say with the snap of a finger, we should in fact be using these wheats just because the yields are that much greater, Mr. Speaker, there has to be more work done so that there can be an acceptability on the world market for the fine wheats that our Canadian farmers have produced, so that our quality that we have sold on the world market is not jeopardized.

**MR. SPEAKER:** Order please. The time for Oral Questions has expired.

## ORDERS OF THE DAY

### BUDGET DEBATE

**MR. SPEAKER:** On the proposed motion of the Honourable Minister of Finance and the amendment thereto proposed by the Honourable Leader of the Opposition, the Honourable Member for Niakwa has 40 minutes.

**MR. A. KOVNATS:** Thank you, Mr. Speaker.

I am most pleased to rise today to contribute to the Budget Debate. I see there's other people rising also and leaving in great numbers, but I can accept that because I know they're going into a special room to listen very intently to what I have to say, Mr. Speaker.

I rise with some reluctance, Mr. Speaker, some fear and some trepidation, in anticipating some of the remarks that will be passed over from that side of the Legislature over to this side of the Legislature, some remarks that could be included in heckling.

I have great fear of the Minister of Finance pointing his finger, yelling "you fool," because I've heard him do so in the Legislature on a few occasions. I have some fear of the Honourable Minister from Ste. Rose - I've forgotten what department, Mr. Speaker, I think it's Government Services - standing up and yelling "might is right" and trying to put fear into me so that I would be reluctant to speak my mind.

I have some fear that the Honourable Minister of Energy will get up and say and demand that the right to ask questions be given to all Members of the Legislature, and I agree to that, Mr. Speaker. As a matter of fact, all Members of the Legislature have that right to get up and speak and to ask questions at any time. They were very reluctant to get up and speak on the debate last fall, but now that we're into a new Session they have that right to get up and ask questions and speak as their hearts desire.

I was listening to some of the remarks concerning the unseasonable storm that passed through the province last Friday and Saturday. I had some fear that there could be some great damage throughout the province. I, too, would like to pay praise to the Manitoba Hydro for their efforts in keeping the damage to as small a loss, and getting the service back to normal as quickly as possible even though I know that there are some areas that don't have the service back to normal at this point.

I would like to suggest to the Emergency Measures Organization that there are some generators up at Churchill that should be coming available very very soon when the electrical power goes into Churchill. I would hope that this would all be taken into consideration as an emergency measure. I know that the Minister is now making plans to put some of these generators into areas that don't have service, or at least not the service they should have, some areas that only have 15 amp. service.

I know that the Minister is making plans but I think some of these generators up at Churchill could be used as a service to counteract when we do have an unseasonal storm or emergency purposes. I think that the Manitoba Hydro could work very nicely with the EMO organization and see that the people of the province have some protective measures.

I'm not going to dwell on it that greatly, Mr. Speaker, because I want to get more into the Budget and the Budget Debate, but I just want to advise the people of this Legislature and all the people of the province that my pumpkin crop, which was outside during the freezing weather, was destroyed. I feel very very badly about it, because I had taken them right from seed, and they were up about four or five inches and really coming healthy. Through an oversight on my part or not knowing, because I don't watch television that much on the weekends, I wasn't aware of the storm that was coming and my pumpkin crop was wiped out. I lost some tomatoes and some marigolds, but not of any great damage.

But I do have another fear, Mr. Speaker, concerning the blueberries out at Piney, because I would think - and I haven't been out there for two weeks - that the blueberries out at Piney would have just been starting to grow and this weather would have touched them. The Blueberry Festival, which is a big event in the area might have to be - not cancelled, Mr. Speaker, because I know that there'll be some blueberries - but possibly curtailed. I would hope that the Honourable Minister responsible for Culture, who has never really given any special grants to the people out at Piney during the Blueberry Festival, would take it into consideration this year particularly, because of the damage that might have occurred because of the unseasonal storm.

I want to also thank Dr. Horvath and Mr. Borbely for their efforts in allowing me to be here today to speak on the Budget.

Mr. Speaker, we are going to talk about the Budget. The speech was probably the longest one ever given in the history of the Manitoba Legislature, the Budget Speech, Mr. Speaker — (Interjection) — approximately the longest - I'm not saying it was and I didn't want to go back and check - but it seemed to be of great length.

The Budget is usually filled with hope and commitment on the part of the government. Not so this time around, Mr. Speaker. On the whole, it was filled with self-serving statements and no new commitments. They'll have a chance to speak against what I have just said, but at this point I just didn't feel that there were any new commitments made by the government.

During the last two years, Mr. Speaker, we can look back on the government's attempt to be the government. They have failed in many ways, not only with the French language proposal which they tried to

railroad through in the last Legislature, but also with the first drafts of The Farm Lands Ownerships legislation and many other things, such as the proposal to limit the province under The Consumers Protection Act and the foolish attempt to amend The Payment of Wages Act last year.

The NDP Government's third Budget was introduced into the Legislature last Tuesday, April 24th. It was the most partisan, political Budget ever presented. The Budget made no mention of any significant technological developments which the government alluded to in the Throne Speech, made no identification with the technological developments.

The payroll tax imposed in the NDP's first Budget is being changed somewhat this time around. Small business payrolls under 50,000 will no longer have to pay the 1.5 payroll tax which the government levied in their Budget last year. For those firms with payrolls between \$50,000 and \$75,000, Mr. Speaker, less tax will be paid on a graduated basis. This means that there will be a reduction in the payroll tax, and it's being aimed only at the small business, primarily the charitable groups and the non-profit organizations. I am not against that, Mr. Speaker, inasmuch as those groups are very worthy organizations, but I think that the small businesses that are the backbone of this province, as well as the farming industry, should be given some special consideration also.

Mr. Speaker, now as it stands, this tax on jobs, this payroll tax, what it has done is create disincentives. The Minister realizes that there is an injustice on this payroll tax. He appears that he's thinking about making some additional changes, but at this point we haven't heard anything. The payroll tax which will be only on the over 50,000, I think that it should be expanded to give some consideration for everybody paying payroll tax - either eliminate it or give special consideration - not just to the ones up to the 50,000 because it is not really creating any incentives by being a punitive tax in the manner in which it is. Overall, Mr. Speaker, the Budget does not seem to offer any relief to the beleaguered municipal taxpayer. We are all aware of the increase in municipal taxes.

Overall, as in the Throne Speech, there seems to be a great deal of verbiage to make us all believe that things in Manitoba are a great deal better than perhaps the public really believes they are. If we listen to the New Democratic Party, one is left with the impression that the economy is doing extremely well in this province. Yet, Mr. Speaker, we still have a \$488 million deficit projected and whatever way you put it, they still have to raise \$488 million over and above what they are going to receive in taxes.

The total direct deficit increases over three years including this one is going to be \$1.4 billion. If you say it fast, Mr. Speaker, it doesn't sound like a great amount, but when my children have to pay it and the interest on all of that money, I'll tell you that's a great amount, and his grandchildren and their grandchildren, and his two children.

Mr. Speaker, I shouldn't point, because my wife has given me a lot of criticism concerning pointing, but when I talk about the two children who are going to be burdened with these additional taxes over the next few years, the honourable member who knows about these two small children, knows to whom I am making reference.

Mr. Speaker, the New Democratic Party Government went on at great length in their Budget to extoll the virtues of the Jobs Fund, having created thousands of jobs for Manitobans. Well it could be true, Mr. Speaker, it could be but we're taking it one step at a time. The actual fact is, Mr. Speaker, that on the average there were 1,000 fewer people employed in 1983 than there were in 1981, the last year of the Conservative Government.

There were also 19,000 more unemployed because of additions to work force for whom there were no jobs. What happened to all of those extra jobs, Mr. Speaker, that the Jobs Fund was supposed to create? They're going to have to come up with some figures and they will have an opportunity of doing so. You can be assured, Mr. Speaker, that the Progressive Conservative Opposition will be acting in the interest of all Manitobans to monitor and question the government in its spending and its actions as they affect all Manitoba taxpayers.

Mr. Speaker, I pride myself on being reasonable, responsible, conscientious, understanding, co-operative, tolerant, forgiving and a person who follows the rules, whatever those rules might be. If the rules are not just rules or good rules, we change those rules; and we here, Members of the Legislature, have the opportunity to change the rules that are in existence. But, Mr. Speaker, in the Chamber I guide myself by the rules. I'm not going to point out some of the remarks that are made by the House. I think it was last Tuesday, April 24th - I'm only going to make a reference to the Premier's remarks, not to anything that there could be some judgment pending because I know that that wouldn't be in favour of the rules. But, Mr. Speaker, last April 24th, on Tuesday, I was very very pleased to have a group of students, Grade 5 students from the Dr. D.W. Penner School which is in my constituency, here to see what happens in the Legislature.

Mr. Speaker, they were recognized and they were sitting up in the gallery. I had my wife and two of her friends here also for lunch that day and within a few minutes after getting into the question period the Honourable Member for Arthur asked the First Minister a question. The question was, Mr. Speaker, when will the First Minister quit dancing cheek to cheek with the Federal Minister of Transport? A very obvious question. Cheek to cheek is from the old song and the old adage, dancing cheek to cheek leaves no misunderstanding as to what is happening. Cheek is the part of the face that rises when you smile and, Mr. Speaker, there was no doubt in my mind what was being meant.

Mr. Speaker, the Honourable First Minister came up with an answer and I will read his answer. Mr. Speaker, I can understand very well the honourable member's expertise in talking about dancing cheek to cheek. They not only dance cheek to cheek, they dance bum to bum with the Federal Liberals.

Mr. Speaker, I would believe that the First Minister is an authority on what he says. On Friday, when Hansard came out, there was an ad in the Hudson Bay Company and on the back there was . . . Shouldn't? Anyways, Mr. Speaker, I think it wouldn't be in good taste and I will cease in that part of it.

Now it's not in good taste and on reflecting on it, I'm happy to not bring it up and we'll just let it die at that point, although I feel that the Honourable First Minister owes an apology to the school students from

Dr. Penner School that were here that afternoon and to everybody else who was aware of the remark, it just wasn't in good taste, Mr. Speaker.

Mr. Speaker, again, I'm not going to reflect on it and I'm not going to threaten anybody in saying, well the First Minister can do it so so can I. That's not it. The Rules of the House do not allow us to go too far and I think we should be governed accordingly and respect the Chair. I do have a great respect for the Chair, Mr. Speaker.

Mr. Speaker, I'm looking up there and I see all of the different lawmakers that were famous in their day, of which we carry on in making the laws and Confucius and Lycurgus and Alfred and Justinianus and, I believe, the other one is Manu, even though I can't see it because I had prepared myself and walked over to the government side of the House because I like it over in the government side of the House, and you know we're going to be there pretty soon any way. I wanted to see what it looked like from over there and I think it is Manu. They seemed to like me to be over there, Mr. Speaker, because they're doing everything they can to get me back into the government side of the House. Mr. Speaker, the kid gloves are off; the white gloves are off. We're going to fight fire with fire; we're not going to be vulgar; we're not going to disobey the rules but we will fight fire with fire. I go back to a little poem that I learned as a youngster many many years ago about little Jack Horner who sat in a corner eating his Christmas pie; he put in his thumb and pulled out a plum and said: "What a good boy am I." That was strictly by memory, Mr. Speaker, but these plums that little Jack Horner has pulled out, I think the plums are comparative to what the New Democratic Government are pulling out. They're not making reference to plums, but we know what plums are, and the plum of the power sale to the United States of America - we don't know how much of a plum that will be. They won't tell us; it's going to be after my term. — (Interjection) — I'm not going to be around by the time this contract goes into effect and finalized, and the expansion of Limestone which will be the next step after selling this power. No, let me correct it. I don't think the power has been sold, Mr. Speaker, I think just a letter of agreement. I'll tell you, I'll be the happiest person in this Legislature if and when a contract is negotiated that will bring a fair price to the people of the Province of Manitoba, a price that will be comparative to the ones that the people of Manitoba are paying, not giving away power, the future of our province.

**A MEMBER:** Now you change the rules because a fair price was never in the agreement.

**MR. SPEAKER:** Order please.

**MR. A. KOVNATS:** I thank them for complimenting me by applauding my remarks. I speak the truth; I hope that they will also speak the truth, Mr. Speaker. I didn't accuse them of lying, I just said I hoped that they will speak the truth the same as I do.

Mr. Speaker, another plum is the agreement with Alcoa - Oh, I've got some remarks on Alcoa, that big American multinational corporation, Mr. Speaker.

The Letter of Intent with Alcoa, again, I hope that it comes about. I hope the Minister will not be guided

by remarks made by members in the Legislature as to location of the smelter. I hope that Alcoa will do what's best. I know that they would have to take an environmental study before it can proceed. I know that Alcan had committed themselves to an environmental study and they were satisfied, although I'm not sure whether I was at this point.

I have some fears like some of the other members. I wouldn't want to see the environment abused in any way just for the sake of bringing in a smelter. I know there will be jobs created, but I think a complete study must be made, and I hope the Minister won't be influenced by his members as to where it's going to be located. I think it should be located the best possible place for the people of the Province of Manitoba.

**A MEMBER:** Where's that?

**MR. A. KOVNATS:** Well, I don't know where it's going to be at this point, where the best possible location is going to be, and I don't want to know, not at this point. I wouldn't want to be accused of trying to run out there and speculating on the property. You have a problem there; you have a problem. We were accused unjustly of speculating on the property and you will be accused unjustly of speculating, because it will come about and you must protect the people of the Province of Manitoba.

Mr. Speaker, I forgot what time I started. How much time do I have left?

**MR. SPEAKER:** The honourable member has just over 15 minutes remaining.

**MR. A. KOVNATS:** Fifteen minutes remaining? I didn't really mean to take up that much time, Mr. Speaker, but I recall just last week about one of the members - I think it was the Minister of Energy - who asked how much time he had left and you had told him a few minutes. Well, actually he's got two or two-and-a-half years left because that's when they're going to be out, Mr. Speaker.

Anyway, Mr. Speaker, the New Democratic Party Government is walking around and they're strutting like a rooster, like they've done something fantastic, they're just walking tall. They are taking credit - and I don't know how they can do it - for the population increase. The Honourable Minister is responsible for two and I congratulate him for that, but the population increase in the Province of Manitoba over the last two years of when they were government and what they're so proud of is one-tenth of 1 percent, Mr. Speaker. Something sounded familiar when I heard that figure, one-tenth of 1 percent. If you look at a bottle of dill pickles it says content benzoate of soda, one-tenth of 1 percent. Mr. Speaker, these people know about dill pickles, but they don't know anything about the people of the Province of Manitoba.

I'll tell you, Mr. Speaker, a young chap came to me the other day, who I hadn't seen for quite some time and he says, you know, that New Democratic Party Government, they've reduced the taxes on us people who aren't making very much money. I said, that's very good, Bill, how much did they reduce it? He says I'm going to have to pay \$55 less, because that's what

they've reduced. He's telling me, I'm going to have to pay \$55 less than I've ever had to pay before. This is between big puffs of a cigarette. He's smoking and the smoke is going up all over the place. I don't tell him that I'm not smoking anymore because I don't want to - it's not because of the tax - I just didn't want to smoke anymore and I don't.

Anyway he says, \$55 we're saving. I says well, Bill, do you know what you've done? You've just not looked at it in the right light. They're going to reduce your taxation by \$55, that's about \$1.00 a week. And he says, yeah, that's about 14 cents a day. And I said, do you know what? They're going to increase the tax on a package of cigarettes that'll more than compensate for that \$55.00. You're not getting that \$55.00. They've taken it out of this pocket and put it into that pocket; they've taken your \$55 away and they've put it on the tax of cigarettes. He says, well, the only thing I can do then is to quit smoking and start to drink. That's what this government has done, Mr. Speaker, it's driven the people of the Province of Manitoba to drinking.

Mr. Speaker, now I'm going to make just a few remarks concerning my area, the people who elected me, and they're not remarks to condemn the government, but some suggestions because there was nothing in the Budget, there was nothing in the Throne Speech, so I've got to come up with something to help them.

Mr. Speaker, I read in the paper with some excitement about the arena out at Selkirk, Manitoba that didn't get off the ground because somebody neglected to move quickly enough to accept the offer under the Jobs Fund. They just didn't move fast enough and they weren't able to get an arena. I think Selkirk is in the constituency of the Honourable Premier of the Province of Manitoba and I don't know if they need an arena, or to rebuild an arena. I think the Premier of the Province of Manitoba should have assisted them and worked a little bit harder and a little faster to see that they got some Jobs Fund money to rebuild that arena.

Well, Mr. Speaker, I want an arena in my area in Niakwa. — (Interjection) — Mr. Speaker, we have, that's right. — (Interjection) — Well, hey look, I can speak both ways, I'm in front of the opposition . . .

**MR. SPEAKER:** Order please.

**MR. A. KOVNATS:** . . . I can speak out of both sides of my mouth, not what I'm sitting on like some of the members over there . . .

**MR. SPEAKER:** Order please.

**MR. A. KOVNATS:** . . . Anyway, Mr. Speaker, I think that I would like an arena in a growing area in Niakwa. We have a growing area; we have a demand for an arena every bit as much as they have in Selkirk, and even though I'm a member of the Progressive Conservative Party, I think that I should be given every bit as much right as the people in the province and the people out in Selkirk, Manitoba, even though they've got the Premier out there; only for another two years, Mr. Speaker.

Mr. Speaker, I'm going to talk a little bit about education. We have an expanding enrolment out in

south St. Vital which is part of my constituency. I think people who have an expanding enrolment are not treated in the same manner in which people with a declining enrolment are, Mr. Speaker.

Our taxes for our school district have been going up in south St. Vital and I think and I hope that the Honourable Minister of Education will give some special concessions to the people out in south St. Vital and possibly an additional grant to assist them in the operation of their school system so that their taxes won't be increased every year in the manner in which they were increased this year. I hope next year a special grant will be given to them so that they can benefit and not have to pay higher school taxes than other people in the Province of Manitoba.

I also have some people out in my area who are handicapped. I've spoken about this before, Mr. Speaker. I am just going to mention it because there is a time and a place. I think that during the Estimates for the Department of Health that I'll be able to get in a few remarks.

I haven't forgotten about the taxes for the school because that will get into the Department of Education, assistance to private and parochial schools on a fairer level than what it is now, Mr. Speaker. I think that will all be discussed during the Department of Education Estimates. I have always thought that it would be wise to support private schools, inasmuch as I don't think that our public school system could accept all of the students that might be forced into the public school system if the private school system had to close down.

Mr. Speaker, I'm talking now in the health department concerning senior citizens' homes and homes for handicapped people. I know that it has to come out of funds; it has to come out of taxpayers' dollars but, Mr. Speaker, we've got to think of the people who cannot help themselves. Those people - and I just visited the Golden Links Lodge which is in my area, just the other day - I had the opportunity of talking to a lady whom I hadn't seen for many years. I used to deliver groceries on a bicycle to her home, Mr. Speaker, and she's now a resident of Golden Links Lodge.

While I had the opportunity of talking to her and she brightened my day, because their attitudes are beautiful, Mr. Speaker, I had the opportunity of speaking to some of the staff there. I was told that there is a waiting list at these homes, and I would hope that the government would expand these homes by funding them in a proper manner and seeing that old people have some security in knowing where they are going to go in their latter years.

I also want younger people who have nowhere to go after they reach an age - and I think it's somewhere around 20 or 21, Mr. Speaker, when they cannot go to school any longer, when their term of going to school is finished and there is just no place for them - I think, Mr. Speaker, some plans have to be made for these people so that they can serve a useful purpose here in Manitoba, and possibly a home for those people where they can live with people who have somewhat the same afflictions, although I know that their private homes are best for them at this point. I had a long talk with one young chap, and I know he's very very happy in his home. I hope that he will be able to stay there for many many years to come.

Mr. Speaker, I cited some figures before concerning the \$55 tax that people are going to get back. On this

program that the Honourable Member for Morris was asking the Minister and not getting any answers, I took it on myself to find out more about it. I have been speaking to teachers out in the St. Vital area, and getting quite a bit of information that is only for me so that I can make up my own mind whether this program is going to be good or bad.

But I got some information, Mr. Speaker, where in 10 years' time - and I don't know how accurate - 50 percent of the people who are in the teaching profession will not have jobs, it will be into computers and things of that nature. Are we planning - (Interjection) - thank you very much, Mr. Speaker. Are we planning that far in advance? Are we planning 10 years in advance so that the teachers will have some security?

We talk about all of the other things, the disabled, the handicapped, the security that they need; union people and politicians and people of that nature. What security do the teachers have? What plans are being made for 10 years into the future? You know, we can't just turn our backs on it and say we're changing the whole of the school system. We've got to make these plans.

Another interesting point that was brought up, Mr. Speaker. Did you know that a child entering kindergarten today, by the time that they get out of high school in 18 or 19 years, the job that they will be employed in doesn't exist today? For 80 percent of those students, the job does not exist today. What is the government doing in preparing new jobs 18 to 20 years down the line for these people who are entering kindergarten now, who won't have a job unless it is planned for and prepared for?

Mr. Speaker, we cannot just carry on our educational system in the manner in which it is. It has to be investigated; it has to be looked at very very intently. I'm going to look forward very very much to when we get into the Department of Education Estimates so I can see that the Minister is making plans for 18, 20 years from now.

Mr. Speaker, I have information here, and I didn't realize that tempus fugit - and I think that's another language which I seem to be capable of - time flies, Mr. Speaker - I believe it to be Latin. I was going to make some remarks on seat belts and helmets.

Just before I close, Mr. Speaker, a week-and-a-half ago, I had the opportunity of attending a dinner. There was a Mr. Homer Engelhorn, and he's the manager of the Garrison Diversion Conservation District. He spoke to the Winnipeg Rotary Club, and he presented me with the United States and Garrison Diversion. I don't see anything more except that we're just saying, we're going to wait and see. We don't want it.

It could be a good project, Mr. Speaker, but we have to be shown. We cannot go along allowing the project to expand until we are absolutely sure it will cause us no damage here. But, Mr. Speaker, just in loving remembrance, Homer Engelhorn had passed away, and he was the one. I hope that things will not change where the United States are going to force their intents on us without us first agreeing to it, and allowing us to know that our environment will not be in danger. Oh, just so much stuff, Mr. Speaker, and I guess I will have time.

But just before closing, Mr. Speaker, concerning the expansion of the North, and I have a great feeling for

the expansion of the North. We are talking about the railroad line going into the North, into Churchill, and the electrical line and the roads and the improvements on all these lines, Mr. Speaker. You know, we've got to agree with it and support it 100 percent because right now what is happening is that everything going up into the North isn't going through Churchill; it is going through Quebec. All the hiring and the supplies and everything up to the far North is going through Quebec, Mr. Speaker . . .

**A MEMBER:** What?

**MR. A. KOVNATS:** . . . That's right. I have a friend who is with the Ministry of Transport. He wanted to go up into Northern Manitoba past Churchill. He couldn't do it through Churchill. He had to fly out through Montreal, and it took him two days to get up there.

Anyway, what I want to see happen, Mr. Speaker, is an expansion of the air services up at Churchill so that we can service the province right from Churchill, not just the electrical power, not just the roads, everything that will include and make Churchill a better place to live.

Mr. Speaker, I think they are prepared to grant me leave for just a couple more minutes, and I will conclude. Thank you very much.

**MR. SPEAKER:** Does the honourable member have leave? (Agreed)

The Honourable Member for Niakwa.

**MR. A. KOVNATS:** That's all it's going to take, Mr. Speaker.

Mr. Speaker, I am going to conclude, and it's not going to take a couple of minutes. The Minister of Finance made a statement the other day - at least this is what I assumed that he was saying. He says; "I am the Minister of Finance, and I'm here to help you." The people of the Province of Manitoba don't believe him, Mr. Speaker, they're just waiting for the opportunity to make a change. I hope that the people of the Province of Manitoba can sleep well the next couple of years with the fear of the damage and things that are almost irreversible through the New Democratic Government, but I think that they will sleep well. I ask them to sleep well and I ask the government to please don't cause any more damage than they've already done.

Thank you, Mr. Speaker.

**MR. SPEAKER:** The Honourable Minister of Municipal Affairs.

**HON. A. ANSTETT:** Yes, Mr. Speaker, I'm wondering if the honourable member would permit a question with regard to his pickle formula.

**MR. SPEAKER:** The honourable member's time has expired. Does the honourable member wish the leave of the House to answer?

**MR. A. KOVNATS:** I will grant the honourable member leave to ask the question, I have no problems with that.

**MR. SPEAKER:** Does the honourable member have leave? (Agreed)

The Honourable Minister.

**HON. A. ANSTETT:** Yes, Mr. Speaker. The honourable member referred to the population increase in the Province of Manitoba the last two years as being 1/10 of 1 percent, in view of the documents - which I believe 1/10 of 1 percent would be 1,000 a year - I believe the Ministerial Statement made by the Minister responsible for The Manitoba Bureau of Statistics on Friday, last showed an increase for 1982-83, and again from 83-84, in both years of just in excess of 10,000. Can the honourable member tell me how he computes 10,000 to be 1/10 of 1 percent, or if he agrees that it is slightly in excess of 1 percent each year, not 1/10 of 1 percent?

**MR. SPEAKER:** The Honourable Member for Niakwa.

**MR. A. KOVNATS:** Mr. Speaker, I had made the remark that it was over a two-year period, not a one-year period; but right, if your figures are correct and mine are incorrect, I would accept that your figures are right. All it really means is that there's a little bit more benzoate of soda in the pickles.

**MR. SPEAKER:** Are you ready for the question?

The Honourable Minister of Government Services.

**HON. A. ADAM:** Thank you very much, Mr. Speaker.

It's a pleasure to take part in the debate on the Budget. I had an opportunity to make a few comments on the Throne Speech, but I had a lot more I wanted to say and time would not permit.

I've listened very carefully, Mr. Speaker, to members opposite and their comments since the Minister introduced the Budget, and I've come to the conclusion, Mr. Speaker, that members opposite, except for maybe one or two, have taken the position that they want to write Manitoba off. I have never in my day witnessed the negativism that comes from the opposition. You know, if I was a person living in another jurisdiction in the province, and listening to the comments that are coming from members opposite, I would be reluctant to come here.

I've come to the conclusion that the Conservative opposition are not interested in the welfare of Manitoba whatsoever. They have only one issue that they are concerned about, and that is getting re-elected at all costs. Mr. Speaker, that is what is coming forward loud and clear from every member that has spoken on the Budget Speech or the Throne Speech. It is coming loud and clear that they're not concerned about the welfare of the province whatsoever, they are only concerned about getting re-elected at whatever cost to the province.

Mr. Speaker, their record is clear. Every member, and the member from Sturgeon Creek as well, is as guilty as the rest; everyone has spoken and has downgraded the efforts of the government, sincere efforts to turn a bad situation that Manitoba and the rest of Canada was going through, and the efforts that we had to make to try and mitigate the disaster of a recession, a major recession such as we hadn't seen since the 30's.

Mr. Speaker, we did better, on average, than any other jurisdiction in the province. We did better, not

by our comments, we're not saying that, Mr. Speaker. I prefer to take the comments of people who know something.

Mr. Deputy Speaker, I would prefer to take the comments of the Investors Association than I would of some members opposite. Mr. Speaker, the statement is clear to members opposite, and the people of Manitoba, what this group, which is a major group in Canada, the Investors Association, in all parts of Canada, whether it be the west coast, Toronto, or the major trading areas, they are all over in the States. I want to make a few comments, Mr. Speaker, for the record, to what these people are saying in regard to our Budget.

I quote - this is Andrew Kniewasser that is making these comments. One of my colleagues wants to know whether this gentleman is a New Democrat. That I wouldn't know, but I wouldn't consider the investment community as being strong, overly-strong supporters of the New Democratic Party. I would think they would probably tend to support the old-line parties. I quote, Mr. Speaker: "It was an excellent and appropriate one for Manitoba at this point," - and he's referring to the Budget - "IDA President Andrew Kniewasser said in an interview. IDA Board Chairman, Charles J. Howard said, 'Tuesday night's \$3.4 billion Budget was constructive and showed useful levels of restraint.' Their remarks echoed an IDA Manitoba economic outlook overview released last week which claims that the province investment opportunities have never looked brighter. The two men looked most favourably on the Budget's deficit and spending increased levels. In 1983-84 deficit, which is expected to come in at \$491.9 million represents just 3.6 percent of gross provincial product and will edge down to an even lower percentage of the gross provincial product, if this physical year's deficit meets Schroeder's forecast of 488.7 million. Overall spending meanwhile is just 3.9 percent over the GPP. Howard noted that both percentage levels are well below the 5.5 annual national inflation rate which Kniewasser said at last has dropped below the level of the United States, announced this week as 5.8 percent."

So, Mr. Speaker, let members opposite not try to confuse the public and misrepresent what's happening in the Province of Manitoba. We have experts here speaking, we have people who are experts in this field, experts who are able to analyze Budgets. I have no doubt that our Budget is going to affect our lending ability on the international markets. I fully expect that our Budget is going to be looked at very favourably throughout the financial lending markets, wherever they may be.

Mr. Speaker, I prefer to take these comments as more valid than what we've been hearing; the rhetoric that we've been listening to for the last while, and I reject out of hand, outright, as being nothing but sour grapes, if you will; desperation to get elected at any cost. Discourage everybody from coming back to Manitoba, you know, they're going to come back despite your discouragement and that has already been proven and they are coming back.

Mr. Speaker, I want to refer, also, to a comment made by one Bishop Remi De Roo. A group of Catholic Bishops last year made some statements on what was happening in our economic society, in our countries.

I want to just quote - I'm not taking anything out of context here - there was quite a lengthy article in the Globe and Mail of April 23rd. Here I quote what Bishop De Roo states: "I cannot, as Bishop, hide behind supposed neutrality in this situation." He is referring, of course, to the high unemployment rates and the welfare that has to be provided when people are no longer able to collect their unemployment insurance benefits and so on. Bishop De Roo says flatly, "Silence in the face of injustice is a vote for the status quo." For him, it is not a question of opposing or favouring some particular government or party approach, but preaching the gospel, and the gospel is not a hairy-fairy little Sunday morning kind of a thing, but a relevant message on the political and economic realities of the day. Bishop De Roo turns aside any suggestion of a partisan approach but, at the same time, he observes that many of the current problems facing the church and the downtrodden are the result of neo-conservatism and Reaganomics and the Thatcher Government in Britain.

Closer to home, he feels it is the style of government in vogue in a handful of provinces, notably British Columbia. "When we presented our ethical reflections last January, 1983, we could not envision we would have as classic an application of the problem we had put our fingers on as what we've run into here in British Columbia."

Mr. Speaker, this is the message that we are trying to convey. This is why we part company with governments who support the Reaganomics approach to economy and the Thatcher economics, in company with and lauded by the former Conservative Government of this Province of Manitoba. Their approach - if I can analyze very briefly - to economics is create as much unemployment as you can and that will create a surplus of labour. If you have a surplus of labour, then they will work for next to nothing. If people work for next to nothing, there will be huge profits made on the labour of low-paid labour. These huge profits will be, in turn, reinvested in the economy to create more jobs.

This is an economic philosophy which counteracts itself; it contradicts itself. That is their approach to philosophy; that's totally contradictory — (Interjection) — we have members opposite condemning the deficit. The speaker who just spoke before me . . .

**MR. DEPUTY SPEAKER, P. EYLER:** Order please. I'm having some difficulty hearing the comments of the Minister of Government Services. I would appreciate it if all members of the House would give him a fair and courteous hearing.

The Minister of Government Services.

**HON. A. ADAM:** Thank you, Mr. Speaker, I know that my comments are touching a nerve of some of the members opposite. They know of which I speak is correct; they know that I am right in what I say and it disturbs them. I know that it should.

Mr. Speaker, we just heard the previous speaker before me open his comments by condemning the size of the deficit, which has been refuted by a very prestigious group of people, the IDA, the Investment Dealers Association, who say that the size of the deficit

is very prudent for the present time. So we can dismiss those comments of the Member for Niakwa. Further on he says that he needs an arena in Niakwa; he now wants an arena. Now, he didn't put a price tag on the arena, but that's a deficit. We would like to see an arena in Niakwa as soon as possible. But he was honest enough to admit that sometimes he can speak on both sides of his mouth; he came right out and said so, I'm now speaking on the both sides of my mouth. I'm just trying to paraphrase and if I'm not paraphrasing correctly I'll apologize, but that is the message I got. That is the message I received, it is yes, I'm speaking out of the both sides of my mouth; I'm criticizing that the deficit's too high but I want you to spend more money.

Mr. Speaker, he is not the only member on that side of the House that has made that kind of a statement because we've heard that repeated time and time again, whether it's for agriculture - and we've spent more on agriculture than any government has ever spent. My colleague, whenever he gets to speak, will deal with that. We've had other members who have gotten up and made the same kind of statements and complained about not enough money for education and so on and so forth.

**A MEMBER:** Clayton wants less money.

**MR. A. KOVNATS:** Perhaps there are some other members who would like to speak on both sides of their mouths and I'm not going to name names, but I think that members should hide in shame on the behaviour that we saw here during the question period a few days ago. When I said that they were more concerned on being re-elected than in the welfare of the province, I will give you another example. The other morning, my colleague, the Minister of Energy and Mines, made a major statement on — (Interjection) — you see, they make light of a major statement. They make light of a major statement on economic development. They make light of a major statement made by the Minister of Energy and Mines that a letter of understanding had been signed by one of the largest - if not the largest - aluminum manufacturing companies in the world to do a feasibility study as to whether or not it would be possible to build a smelter plant that would create hundreds and hundreds of jobs. We did it in an orderly way. And what happened that day? This was done in the Ministerial Statements, if you will recall, and the Leader of the Opposition got up and he spoke not a word, did not asked a question about this major statement that had been made. We had a response from the Member for Lakeside criticizing, oh, well, we're right back to square one. But the Leader of the Opposition spent almost the entire question period dealing with a letter that had been sent out that he disputed. I don't want to get into that because it's still being under advisement.

Mr. Speaker, we have never on that side seen a more glum-looking group. Some faces were even ashen when that announcement was made because for the last two years what we've been listening to is the rhetoric that the NDP spoiled or did away with some major projects, the Western Grid, the Alcan smelter have gone down the drain because of the New Democratic Party - and

potash mines and so on and so forth. That's the rhetoric that we've been listening to for two years, Mr. Speaker.

Those projects are coming back on stream. There will be more announcements made, Mr. Speaker, I'm sure, within the next two years. It's done in an orderly manner, not a quick fix just before the election of 1981 when Alcan had already announced that they could not go ahead with it because of the international markets. That was well articulated by my colleague from River East in his comments last week. He had done some research and had indicated that the price of aluminum had gone down from some 93 cents a pound to 40-some cents a pound and that Alcan had announced in September of 1981 - that's two or three months before the election - that there was no way that they could proceed with any further development or expansion of aluminum plants under present market conditions.

Mr. Speaker, they get found out and exposed time after time after time, and get caught at it. The same thing happened with the letter, Mr. Speaker. We know now what the policy is. We've had the Member for River Heights — (Interjection) — I'm not going to get into that, Mr. Speaker. I'm not going to get into the details of the letter.

**MR. DEPUTY SPEAKER:** Order please, order please. The Honourable Opposition House Leader on a point of order.

**MR. H. ENNS:** Yes, Mr. Speaker. He quite correctly acknowledged that an issue was before the Speaker for resolution and refrained from proceeding on that basis. I just caution the honourable member that if he proceeds or attempts to suggest what is Conservative Party policy, he'd better be aware what he is speaking of or else I'll raise a matter of privilege right after he says it.

**MR. DEPUTY SPEAKER:** The Honourable Minister of Government Services.

**HON. A. ADAM:** Mr. Speaker, I am looking at a letter here of April 28th, an article in the press. These words were not spoken when the matter of advisement was taken by the Speaker on the letter. — (Interjection) — I'm not going to speak about the contents of the letter, Mr. Deputy Speaker. I just want to make a comment on what the Member for River Heights says.

Mr. Speaker, I urged him to state his position when he was making his comments and it was in response to my urging that he responded in this manner. He said yes. He was honest. There are a few.

**A MEMBER:** Name them.

**HON. A. ADAM:** Don't tempt me.

He was quite honest in saying that, yes, he preferred a sales tax to the 1.5 percent levy on health and post-secondary education. He was quite honest about it. And of course the Deputy Leader - and if we can't believe the Deputy Leader, who can we believe? My goodness, surely the Deputy Leader must have some credibility on that side of the House. If we can't believe the Deputy Leader of the Conservative Party, who made

a statement that we should bite the bullet and impose a sales tax rather than . . . Mr. Speaker, I want to tell you that we had some very difficult problems to deal with in 1981 after inheriting a mess, a four-year mess that we inherited when the previous government couldn't see that there was a recession coming in. They were unable to see ahead far enough to realize that the whole country, in fact, the whole western world, was going into a recession. At a critical time they started to impose additional measures to slow down the economy. They wanted to dampen the economy so that the inflation would come down.

Mr. Speaker, we like to see reasonable inflation that's not high, but when you're going into a recession, inflation that was caused primarily by high energy costs and high interest rates, Mr. Speaker. They're man-made and, Mr. Speaker, those two issues, the two major issues that were the underlying cause of inflation, were supported by the Conservative Party in this province.

The former Minister of Finance under the Conservative Government was supporting high interest rates, and the former Conservative Leader, when they were in government, was supporting high energy costs. Mr. Speaker, I have been able to somehow develop a three-way conversation, abetted by my colleague, the Minister of Northern Affairs. I would ask my colleague, the Minister of Northern Affairs, whose side is he on — (Interjection) — Mr. Speaker, he apologizes, now he's going to let me carry on with my comments. Perhaps he could remind me where I left off.

**A MEMBER:** You were talking about high interest rates, and how the Member for Turtle Mountain was very proud of the high interest costs.

**HON. A. ADAM:** Of course, of course, that is clear, Mr. Speaker. The former - and I'm going to paraphrase, but I'm sure I could find the comments because I looked at it - the former Leader of the Conservative Party when they were on this side of the House said that the price of oil should go to the world market as soon as possible. Everybody knew what that would do to the inflation, but not the Leader of the Conservative Party or his colleagues.

Mr. Speaker, the Minister of Finance, when he was on this side of the House in the Conservative Government, was saying, what else could we do? We were complaining about the high interest rate policy of the Federal Government who were supporting the American Government's policy on high interest rates. When we were criticizing that, the former Minister of Finance in the Conservative Government said, well what else can they do, that's what should happen. Mr. Speaker, that is why we had inflation, those are the two major contributors to the inflationary spiral in the province.

Right now, we have one of the lowest rates of inflation perhaps in Canada in Manitoba, a very good climate, Mr. Speaker, for people to come here and invest and live here and develop our province. Mr. Speaker, with the comments that we're hearing on the other side trying to discourage at every step and every turn people from coming here, or development, from happening. They are concerned that if there is too much development and jobs are created that they won't get elected.

Mr. Speaker, when it comes down to voting, they are very pleased and they think that things are going to happen in their favour, but when people come to vote they think very clearly. What are the issues that bother us the most? I want to tell you that most people feel that the economic situation of the province is what concerns most people, creation of jobs, bread and butter issues that affect people in their everyday lives, the level of health care, the housing for people, housing for senior citizens, extended care homes. That is what people are concerned about and I have said it before, and I say it again, when it comes to those kinds of issues the Conservatives are not even in the league to develop those kinds of policies.

So I am very proud of our Budget, Mr. Speaker, I am proud of the Budget that has been introduced. Development will continue, we stack very high with the rest of Canada.

I just want to make a comment. You know, many times we've heard members opposite decry the amounts of money that are going into advertising; they say that advertising is self-congratulatory to the government of the day. Mr. Speaker, I want to go on record as to say that the advertising that is being done is to inform the public on programs that are available to them. They have a right to know and have access to information of what's happening and programs that they can tap into.

Mr. Speaker, while I am talking about that, I have a document here that was put out by the former government in Manitoba. It's very glossy and, as you will notice, the Conservative colours, the very glossy document that had to do with flood and, of course, we're all concerned about floods and storms such as we've had just recently. But, Mr. Speaker, this document is self-congratulatory, it contains a lot of pictures, very fine looking pictures, mostly floods and bridges washed out and combines under water, and so on and so forth. There is very little comment except pictures.

We certainly sympathize with all the people who had to suffer the extent of flooding in '79 but, Mr. Speaker, page after page is nothing but pictures. I don't know what the cost to print and send this document out, and I'm not complaining too much about that. What I wanted to complain about . . .

**A MEMBER:** When was it sent?

**HON. A. ADAM:** It was sent in 1979, but what I wanted to perhaps comment on was the map.

**MR. D. SCOTT:** Why are all the PC colours on it? Was that around the federal election campaign by any chance?

**MR. SPEAKER, J. Walding:** Order please.  
The Honourable Minister.

**HON. A. ADAM:** Mr. Speaker, there is a map of the Province of Manitoba, outlining all the flooding in blue. I was looking at this map, and I found it peculiar, Mr. Speaker, that outside of one reserve - thank you, Mr. Speaker, I have five minutes - there were 1, 2, 3, 4, 5, 6 reserves that were in the flood zone that are not shown as having been in the flood area. I find that

peculiar; I find it very interesting that the Sandy Bay Indian Reserve that was right in the flood area as well as the Grassy River Marsh, it's shown as a non-flooded area. Now, how can they be so callous, Mr. Speaker, having spent this document, send it out and ignore the Indian population? Why would they do that, Mr. Speaker? I suppose that reserves don't get flooded, Mr. Speaker, and I say that perhaps the Roseau Reserve was shown as being flooded. It's in the Member for Emerson's constituency and he made sure that at least that was in the flood zone, Mr. Speaker, but all those other areas in the New Democratic Party constituencies, they're shown as not being part of the flood area. I just comment that we found that peculiar.

I could go on. There's lots more that can be said about how our province is progressing at the present time. I hope, Mr. Speaker, for the sake of all Manitobans that the Conservatives will start being a little more positive. I'm not saying that they should start being laudatory and patting us on the back, but they certainly can be less negative and work in co-operation to get things on the move in a co-operative way and for the betterment of all Manitobans, for our children and our children's children, Mr. Speaker. We have lots more that will be coming forward in the next two years, Mr. Speaker, that I am confident of. If members are going to be hung up on just wanting to be elected and nothing else, and just to be knockers instead of doers, they will see that they may have a far more difficult time to get elected than they think they have.

Thank you very much.

**MR. SPEAKER:** The Honourable Member for Morris.

**MR. C. MANNES:** Thank you very much, Mr. Speaker.

I've been looking forward to the opportunity to address the Budget Speech. I didn't speak on the Throne Speech earlier last week; I wasn't in attendance the night that it came down. Obviously, I've been told by my colleagues, Mr. Speaker, that I didn't miss too much.

Mr. Speaker, before I begin I'd like to extend the usual pleasantries to you and to the Deputy Speaker. I feel that this Session will probably be somewhat more peaceful than the one previous. I make apologies on my behalf now if I contribute to any change or difficulties that may come forward.

Mr. Speaker, I'd like to begin by offering my general impressions of the Budget. First of all, I was going to begin by critiquing the speech from the Honourable Minister who just gave it, but I really didn't find much of substance within his speech that I could criticize. I usually enjoy the Honourable Minister's presentation. It was lacking a little drive and a little enthusiasm, I thought.

Mr. Speaker, my general impression of the Budget. If you read through the lines the Minister of Finance seems to be saying the recession is over, everything is, come and invest and spend today in Manitoba; everything is over. He tries to leave that impression, although he couches his remarks a little bit more carefully later on when he says we appear to be leaving the recession.

Well, something else struck me also, Mr. Speaker, I didn't detect the same euphoria in the government

benches as I have on two other Budget occasions. Remember the day when the announcement of the payroll tax came forward and the wild enthusiasm with which they pounded those benches across the way. I didn't detect that same desire to demonstrate their genuine acceptance of their own Budget. — (Interjection) — Well, Mr. Speaker, the Minister says I wasn't here for the Throne Speech, I was here for the Budget Speech. Now, Mr. Speaker, what enthusiasm was generated was, in my view, forced and hollow by the members opposite. They realize that they're in serious political trouble and although I think they wonder why, when by their account, unemployment statistics put them in top-ranking position within the nation, and why population figures seem to be increasing. They quote these freely and use them quite often. They wonder why they receive no respect whatsoever. Of course, Mr. Speaker, they're wondering why they are not wanted. It's obvious that they're trying to uncover the solution to what appears to be an enigma, where they feel they're doing something and yet they're receiving no credit whatsoever.

Well, Mr. Speaker, they're headed into a corner and they are in a corner and they know it. I suppose they have to make the decision today, at this point in time, whether they're going to lie down and die or whether they're going to come out fighting. Any of us who have been on a farm and have had the opportunity to corner a rat or a gopher inside of a building knows instinctively what a rodent will do. They'll turn around and when they realize that there's no escape, they'll attack viciously and every one of us who had had that type of experience realizes where they are in political terms, where they are at this point in time.

Mr. Speaker, they're going to die politically and they know it, but not without a fight, and I suppose for that I give them some credit. How are they going to fight and remove themselves from that corner? Will they be above the belt, Sir, or will it be below? Hopefully, it will be above. I've had some indications, or I've heard of some areas where indeed they are fighting in a politically, I suppose, acceptable manner by way of politics these days. However, there are some other areas which I will move into a little later on where I feel that they are not fighting in an honourable fashion at all.

Well, Mr. Speaker, what areas are they fighting above the belt to try and remove themselves from that political deathtrap in which they find themselves? Well, they use statistics; they use them in great numbers. First of all, they use the unemployment statistics whereby they claim we are the province that has the least number, percentagewise, of unemployed within the nation. Of course, they take great delight in comparing us to Saskatchewan which has had the honour of being in that position for some period of time. Of course, they don't point out that Saskatchewan now is becoming, and has been for some period of time, a resource province and suffers of course from the same cycles within resource areas that Alberta does to some degree.

Mr. Speaker, Saskatchewan is on the verge of its own boom. I was just talking to some people from there the other day and there is some great hope, and I would say justifiably so, that they may take over from Alberta within the next three, four or five years in the area of resource development. They're eagerly awaiting the results of some of the deep oil-well drillings within the southeastern part of the province.



us in advertising, telling us about all the great thrusts and directions and aids they've brought forward within the social and education area. Yet today, I think, Canadians and Manitobans are asking for something more, because they've been conditioned to do so.

Mr. Speaker, I would like to move on to the area of per capita debt a little later on. To me that's a special area that needs to be discussed within at least my few remarks on the Budget Debate.

Well there are other indicators used by the Minister of Finance. He talks about the gross provincial product and, of course, I always find it interesting that the Premier talks about projections when he's talking about, particularly, provincial product and some other economic indicators. It's always interesting, when the past doesn't look good but the future is a little bit better, the government uses projections. When the projections don't look good and, of course, the past actual hard figures look a little better, they use those.

It's obvious, not only to us sitting across the way, when Ministers and members of the government are using that type of method to suit their own purposes, Manitobans are astute. I wish that members opposite would give them more credit because, they too, fully understand that governments, and this one particularly, uses methods which suit their favor.

Well, Mr. Speaker, the Minister of Finance talked about incomes on Page B-12 and, of course, he forecast that they would go up and I'm sure that forecast, basically, comes from his great hope that we're out of the recession. He talked about inflation in Winnipeg, both above and below the national average. If you were to look at his statistics, I found it interesting that the Minister of Government Services just earlier indicated that we are below the national average in inflation, and we of course have been for the last two or three months, but if he looks at his own chart he'll realize that for the whole '83 year, basically, we were above the Canadian national average.

Well it moves on to investment and, of course in my mind, this is probably the most important indicator as to where the province is headed, and it does show some potential for increase, but not enough to, in my view at least, to sustain meaningful growth. The intentions chart on Table 2, Page B-15, I think, is somewhat optimistic. I hope I'm wrong. I hope that it comes to fruition and it turns out that the Minister of Finance is correct, but I must say that I really have to challenge some of the increases, particularly in some of the housing area where I know that a lot of the pent-up demand that was in existence was brought into existence as far as new houses last year.

The manufacturing, his intentions are supposedly upped by 33 percent, and I'm curious to know whether the Minister feels interest rates, which have increased somewhat over the last two months, will have a negative bearing upon that.

Well, Mr. Speaker, the members opposite have been trying to make an awful lot out of migration figures, not only within the body of the Budget Address offered by the Minister, but also by the Minister of Statistics who, the other day during Ministerial Statements, tried to lead us through a major statement as if, again, Manitobans are going to look favourably upon this government if they feel that migration rates are going to increase.

Mr. Speaker, any one of us, or everyone that has existed in the Prairies for any length of time, knows that the Province of Saskatchewan exhibited no growth whatsoever for some 30 or 35 or 40 years, all the way since middle 1935, and governments came and went within that province. I don't honestly believe that Manitobans, as a whole, put great stock on migration figures. Yet, I can understand why this government is trying to desperately salvage their situation by providing any statistics they can.

Mr. Speaker, I'll end my remarks on the statistics used by the government to leave the perception they are leading Manitoba out of the recession by offering these remarks. First, I don't believe that people vote basic statistics; and, secondly, Manitobans are fed up with self-congratulatory, self-righteous remarks that have been emanating in such large measure from, particularly Ministers, within this government. They know the economy has strengthened somewhat over the past half year in spite of NDP actions. I don't think that the government really, if I were to give them any political advice, I think, should take any satisfaction whatsoever because the people of the province aren't giving them any.

Well, Mr. Speaker, I'd like to move more specifically into a discussion on the debt situation. I found this the most interesting aspect of the Budget as brought forward by the Minister.

Manitobans, today, are probably more debt conscious than they ever were. Their own debt situations, generally, I think are in good order and now, I believe, they are becoming increasingly worried about the debt standing of the province.

I found it somewhat comical that when the Minister was talking about per capita debt, and he was trying to relate it in terms of this years deficit, he said: "It's only \$200 per capita," and a baby in the gallery began to cry. Well, I'm sure that's happened in other timely occasions also, but I won't say what's on my mind and why that baby began to cry. Mr. Speaker, I don't believe Manitobans will be fooled by this government's attempt to split Capital and Current spending so as to reduce the size of what appears to be the deficit.

Mr. Speaker, Manitobans aren't going to accept the type of logic so desperately used by the Minister. He spent the best part of two pages trying to use the analogy of businesses and private homeowners who have become involved in expenditures of significant size. He went on to use his analogy of an individual buying a home, or the business analogy of somebody building a plant and, of course, he is in part correct. He fails to understand some very very important aspects of his argument. I think he understands them, Mr. Speaker, it's just that he's hoping that, I would suppose, first of all, the media will accept his argument; and secondly, if this Budget is to receive some wider-spread circulation that maybe some other people within the community as a whole will accept the argument. Very few business people will, of course.

Mr. Speaker, what he fails to understand in using his analogy is that very very few of us, of course, purchase a home every year; very very few of us purchase a business or go through a major plant expansion every year. Of course, the government out of necessity must build some new schools, and some new hospitals, and some new roads, and some new bridges each year,

but to suggest that because they are capital, and because that they are vitally important - that's the clue - and that their carrying costs needed to support their indebtedness be treated differently than current carrying costs, I believe, is absurd.

Mr. Speaker, the best asset in the world can become the greatest liability if the debt cannot be served and let the members opposite realize that. That's one of the basic rules, I don't care what business you're in, Sir. If I own the best piece of land going and I can't service that debt, it becomes the greatest liability and when will the members opposite realize it? Well, . . .

**MR. SPEAKER:** Order please.

**MR. C. MANNES:** . . . Mr. Speaker, that must be true because developing countries in the Third World - Mexico, Sir, and Brazil - where is all their spending gone? Well, it hasn't been all on current, a lot of it has gone to current vital necessary expenditures and, Sir, the debt associated with them is killing them. We can — (Interjection) — Well, Mr. Speaker, now we've . . .

**MR. SPEAKER:** Order please.

**MR. C. MANNES:** . . . got members talking percentages and degree. They are saying, are you saying that we're similar to Brazil? I'm not saying that. I'm saying that Brazil right today has a debt of some \$90 billion, and I'm saying Canada today has a debt of \$185 billion, but I'm saying the economic rules that govern both nations are the same. Mr. Speaker, for the members to say that they don't, is really to fly in the face of reality.

Well, Mr. Speaker, the Minister even tries to build his case by quoting Simons. On Page 10 he quotes Simons and he says - this is Mr. Simon speaking, Mr. Speaker, and I quote - 'It is hard to visualize realistic circumstances in which a larger deficit would not be associated with larger . . .'

**MR. SPEAKER:** Order please.

**MR. C. MANNES:** . . . "profits and investment than if the deficit were smaller."

Well, Mr. Speaker, if you accept that type of logic, then why don't we spend more, go deeper into debt, allow companies to make greater profits, to pay more taxes, to invest more, and to hire more? Why doesn't the government believe it then if they quote Simon in that particular page of the Budget? Well, because they honestly know deep down that they can't use it. — (Interjection) —

Well, Mr. Speaker, we have the Minister of Agriculture saying that should have applied in some other period of time. Let's be honest with it and say the reason that they were able to spend 20 percent increases on their first two years, because when they inherited the fiscal books of the province they were in relatively good shape; let's be honest about it.

I can tell you, Mr. Speaker . . .

**MR. SPEAKER:** Order please.

**MR. C. MANNES:** . . . as a group of people coming into government within two years, one is faced with a

very hard choice to be fiscally responsible when you know that they're just waiting there to come into power and destroy everything that you've worked hard to build up over a period of years.

Well, Mr. Speaker, — (Interjection) — the Minister is right in one respect, he was right in regards to the self-financing of long-term debt, in other words, in some of the true investment areas associated with, of course, Hydro and MTS, and that combined debt he says is \$2,900 per capita and we accept that. But does that make me feel happy as a Manitoban? I can honestly say, no. You know, they can claim we have amongst the lowest hydro rates in North American and we do, I fully acknowledge that, but how much lower could they be, Sir, if we had more than 2 percent equity in Manitoba Hydro?

When Saskatchewan today can offer to its population a gas tax free province and other provinces can offer to their populations, other people, wouldn't it be nice if this province could offer to its citizens a hydro rate which was 60 or 70 percent of what the lowest rates are. Of course, Mr. Speaker, we can't do that because of the massive debt associated with that great so-called asset that we have today.

Well, where does that take us, Mr. Speaker? The Minister's argument on splitting, I believe, current and capital indebtedness is wrong, I believe it's dangerous and, of course it says to say the least, it is deceptive. Why, Mr. Speaker, do we always say debt per capita? I'm wondering if it isn't better - and I think I will begin to use a different slogan myself, I think I'm going to begin to use the term debt per working Manitoban - because isn't that more realistic, debt per working Manitoban? If there are 460,000 working Manitobans, why don't we realize the provincial debt guaranteed per working Manitoba is \$14,130.00? At least I think, Mr. Speaker, that is a more realistic measure of our indebtedness. Let's tell Manitobans where they stand financially.

I say that today's bankers, and I found it interesting that the Minister would talk about Professor Barber telling us what our net worth is. Well, Mr. Speaker, if any members opposite are in business and they're out looking for a loan at the banks today, bankers aren't interested in net worth or equity, today it's cash flow; how you can service the debt, that's the bottom line. Of course, they've got the Member for Thompson, and he's probably never financed a thing in his life other than his education. But the point is, Mr. Speaker, that that's the criteria today by which lenders determine who will receive loans . . .

**MR. SPEAKER:** Order please.

**MR. C. MANNES:** . . . Well, Mr. Speaker, the Minister and the Premier berate us for being the knockers, the gloomers and the doomers and, of course, that's become a new approach of theirs. I can accept that if I was in their position and as desperate as they were, I suppose I would try to lash out at the opposition too. Someone once said, Mr. Speaker, a pessimist is one who always blows out the lights to see how dark it is. Well, I don't consider myself a pessimist, I've got great beliefs that this province has its future coming.

The NDP are using this as a new argument that we are pessimistic about the future. Well, Mr. Speaker, I

suppose we are if they're in control, and I can tell you that Manitobans are a little concerned too. I admit, however, to being somewhat concerned. My concern with the debt probably surprises no one, I've spoken on it many times. Productivity as a nation though concerns me terribly and I'll move into more depth on that a little later.

Where are we headed, Mr. Speaker, do we really know? Well, I honestly believe that this government doesn't know. In my view, there are few governments within North America that seem to know where we are headed. Of course, only if we know where we're headed will we be able to determine whether the revenues are going to be there to support all the spending and much of it important and vital, but only if we know where we're going will we be able to determine whether we're making a proper decision as to our spending. So whether we're building power dams, Mr. Speaker, or irrigation projects, or a capital intensive social institution which will take decades to pay, surely we must know how we're going to fund them not only this year but for years to come. I guess I can ask the rhetorical question how can a Manitoba government or one in Ottawa or a PC Federal Government to come, and that will be occurring, how can anybody go on blind faith without knowing where we are going?

Mr. Speaker, I found it interesting that I received another pamphlet in the mail today from a Federal Minister Regan talking about exports. He says, "Canada's exports reach record high." He talks about them topping \$90 billion. That sounds like an impressive amount, some 25 percent of the gross national product. It's impressive, yes, but what is our share of the world trade today in exports? I wonder if members opposite know.

Do they know that we're at 3.6 percent of the total world trade? That's our share of the market, whereas just 20 years ago we were close to 6 percent. So, Mr. Speaker, I bring this up to tell you that I was at a meeting the other day on the Asia Pacific Foundation. They're trying to foster better trade developments with the Far East, meaning the Pacific Rim, realizing that that's where all our future growth markets and not only that, where our future standard of living, if we're to maintain it, will be derived from.

John Ellis, who is the Chairman of the Canadian Committee of the Pacific Basin Economic Council, says that our standard of living, of course, has dropped from second to 14th. Soon we'll be 19th as a nation. Of course, the most interesting part of it is that Japan by the year 2000, their goal is to become the biggest industrial and economic giant of the world, taking over from the United States. They are well on their way to becoming that. Yet today within that nation, working conditions are second to nowhere else. Every labourer takes pride in the plant or the business in which he works.

If you don't believe that the nation is happy, one of the most interesting aspects of it, I guess the Japanese are forgetful people. On their transportation system last year, they left \$14 million of cash, I guess their wallets and everything, and 95 percent of that was turned in voluntarily by other people. It's a happy nation, and it's a nation that is working well.

What's my point, Mr. Speaker? Where does Canada fit in in those whole areas, and are we going to join

the big-league world of traders or not? Do we believe our future living standard depends upon it or not? Of course, I say it is, and that's why productivity is so important, Mr. Speaker, thank you very much. I guess it begs the question, do we open or do we close our economy? If we close our economy, in my view, the revenues will fall and then all this debt and all this spending, for whatever reason, will come home to haunt us. My point is, Mr. Speaker, don't call us gloomers and doomers unless you yourselves, members opposite, can tell us where we are heading with some specific idea other than just blind faith.

Mr. Speaker, I don't have time to specifically talk about some of the new initiatives in the Budget, specifically the sale of power to Northern States Power, other than to tell you I was in Minneapolis three or four weeks ago, and I was absolutely amazed with the boom that that city is undertaking. I was in the IDS Building, 51 floors up and I looked down there, and there were 18 cranes within my view, building massively large skyscrapers. Minneapolis is booming. What does that say about where economic activity is? I hope it's a good deal, Mr. Speaker, but what it says to me is that the economic activity is occurring just south of us.

The Alcoa announcement was interesting also. I had the opportunity on Friday to talk to Mr. Trigg, who is - let me see what he is - he's the senior Vice President of Alcan Aluminum. I asked him about Alcoa coming to Manitoba, and he said many things. The only two that I have time to relate at this moment are that, of course, everybody knows Alcan's parent is Alcoa. Where do you think Alcan learned this desire to control and own their power plants, their generating capacity? Well, that's Alcoa. Alcoa owns 65 percent of their generating capacity in the States. That is where the idea comes from. That's why Alcan's production was 90 percent. So, Mr. Speaker, let us not lose sight of those facts.

Specifically, Mr. Speaker, on the Budget - and I'll rush to the end seeing I only have a couple of minutes left - I find that dividing the road budget, as the member did, by all the farms, I find that incredible and discriminatory and it just sets a terribly bad precedent unless we want to begin to divide the Health budget by those people that use the facilities. Maybe the Minister would like to do that.

Mr. Speaker, the tax increase on motive fuel used by the railways sounds good. But who is it going to impact? Well, Mr. Speaker, it's going to hit the farmers. Eighty percent of their haulage through this province is grain-related; 60 percent in Saskatchewan. The railways, I understand, will be launching some type of legal case regarding this. But the point being, Mr. Speaker - (Interjection) - in Saskatchewan to start off. So let's realize that this is a direct tax on the farm community.

Tax savings, Mr. Speaker, the Minister talks about an investment tax credit on new facilities and new equipment. I hope and I assume that that pertains to the farm community also. The only comment here, I think it's a good move, but I find it odd that members opposite, particularly the Member for Inkster, who is such an outspoken critic of tax credits helping those corporate welfare bums obviously didn't have his way when that decision was made.

Tax savings to the low income taxpayers, they're okay. Obviously, we have no great concerns or criticisms of

that if it represents a \$1.00-a-week saving, as the Member for Niakwa said. But isn't it odd that the Minister of Finance wants to graduate in the income tax, but the payroll tax, he says it's a \$50,000 barrier, you're on one side or the other? Mr. Speaker, there is no consistency amongst the members.

The removal of the payroll tax for two-thirds of the employers, in my estimation, is a good move. Of course, I have harped on it previously about the billing and what it does to people who have a smaller amount to remit than the total cost of the fine if you don't.

Mr. Speaker, the overall problem is the deficit, and it's still \$488 million projected. It is not a Tory Budget that we have been presented here. Don't let anybody ever tell you that it is. This government still does not know where it's heading.

Of course, what was noticeably absent, Sir, was the detail on education spending. A little bit more was furnished with the past statement the other day. The grants to independent schools, there was no mention made of that. Mr. Speaker, we know that this government has a major, major problem in that area, a major problem. Since the Minister of Education was talking about retraining, it's obvious that she understands that there is going to have to be a number of retraining positions opened up for, I would say, two-thirds of the members opposite, because they will need to be retrained if they are to find meaningful work at all.

Mr. Speaker, in closing, I support the motion of non-confidence, as brought forward by my Leader. The Budget provides no clue as to where we are headed and no understanding of the financial management of this province. Mr. Speaker, they are tired, and I think it's time that the province was rid of them.

Thank you.

**MR. SPEAKER:** The Honourable Minister of Agriculture.

**HON. B. URUSKI:** Thank you, Mr. Speaker. In taking part in the Budget Debate, it was certainly interesting to hear the comments of the Member for Morris dealing with a number of issues. I think and I hope that he corrects me on one thing, I wasn't certain that I heard him accurately. I want to make the comment just to see if his comments were accurate.

During his remarks he made mention, with respect to the province's accounting of separating Capital expenditures versus Current expenditures, and that the carrying costs on the Capital expenditures were to be capitalized again. If I heard him correctly, what he was alluding to was that our accounting measures in calculating the interest costs on the Capital expenditures would not be treated as a Current expenditure.

Well I'm glad that I didn't hear him accurately, because if he checks Hansard the impression that he left with myself was that somehow, because we were trying to separate Capital in terms of the long-term expenditures which would materially affect the assets of the province, that those carrying charges should be put into a Current expenditure and they were not by the present moves made by the Minister of Finance. He is indicating to me — (Interjection) — I am talking about governmental,

not self-sustaining expenditures, Mr. Speaker. I am assuming that the Member for Morris was talking about current governmental, departmental, Capital expenditures, not referring to the likes of the Manitoba Telephone System or the Manitoba Hydro which are self-sustaining carriers of debt. — (Interjection) — Because, Mr. Speaker, it does fundamentally make a difference in terms of how he wants to present the picture.

Conservatives would want to - and I guess it's a reasonable move on their part. If you want to lessen the role of governments within society you want to build up as much of a negative impression in society as you can toward government. The least government there is, the better it is for society. That's really the picture that the Member for Morris and members opposite have been trying to paint, because everything that government does intrudes into the day-to-day activities of the citizenry of the province and of this country, and it is negative because it impacts on their day-to-day activities, Mr. Speaker. That is at the root of Conservative philosophy that, if government intrudes into the activities of individuals, it is bad, Mr. Speaker.

Taking that argument so that collectively a society should not be able to join together to bring about better education, bring about better health facilities, do things co-operatively, Mr. Speaker. That's where the Tory philosophy and the Tory logic falls down, because the Tory philosophy only gets at one area, that individuals can do things far better individually than they can if they band together in society and they do things for themselves in co-operation collectively, Mr. Speaker. That is really the fundamental difference, and that is what the Member for Morris was getting at in his remarks because, in his remarks, he wants to, Sir, build up the debt of the province to scare people. And really it is, it is a scare tactic. It has been used by Conservatives time and time again, and it will be used for years to come. When you want to say that we have to lessen the activities of government, in terms of adding to the assets of the people of this province, you say that our debt load is too high, without accurately portraying and separating what those funds are being used for.

Sir, there is no doubt that the carrying costs of any debt that the province gets into, Mr. Speaker, or is obligated to repay, has to be calculated as a current cost and has to be put into the Current expenditures of the province. On the other hand, Mr. Speaker, to say that the assets of the province, that the province has secured for its citizens, the hospitals, the schools, the roads, housing and all those assets are worth nothing, are worthless, because that's exactly what the Conservative Party is coming to this Legislature and saying. Those expenditures are worth nothing because, on one side, look at the massive debt, Mr. Speaker. Look at the massive debt that we have inherited and that is loaded on our citizenry, but forget about the investment into the hospitals and the schools and the roads, the other side of the ledger.

Mr. Speaker, the honourable member I find, as a farmer, that kind of mentality almost ludicrous because there is no doubt that the Member for Morris as a farmer is continually investing into the capitalization of his farm to improve the capital standing of that farm and improve the well-being of that farm. And he, on

his income tax forms, shows that as an asset, Mr. Speaker, but he will deny the people of Manitoba from showing all those assets on the other side of the ledger because all that he wants to show on the side of the ledger is the size of the deficit; that's really what he is speaking about, Sir. That's what the Conservative Party is speaking about.

Mr. Speaker, clearly the Conservatives speak out of both sides of their mouth - clearly. Clearly we have the Member for Arthur when he speaks and says he demands more programs for farmers and for the citizenry of Manitoba, and I accept that; the Member for Roblin-Russell saying, do more for the people who are in difficulty; other members say, do more. But, Mr. Speaker, then we have the purists, the former Minister of Finance, the Member for Morris, now when they speak they say, too high a deficit, cut your spending.

Mr. Speaker, the honourable member in his remarks just finished speaking, saying, the deficit is too high, while we have other members berating this government, saying, when are you going to help the farmers and other people in financial difficulty in this province. They cannot speak out of both sides of their mouths — (Interjection) — But they've been doing it, of course, they have been doing it. On one side, they're saying the deficit is too high, and on the other side, you have to do more.

Mr. Speaker, let's look at who has done more, and they even don't want to - at least, the majority of them, there are a couple of them that I have to give some credit to, and that's the Member for River Heights, I believe, and the Member for Fort Garry who spoke about the fact that if there has to be an increase in revenues, we are prepared and we should be prepared, rather than have the health and education levy, to go with an increase in the sales tax. At least, there is some integrity on the side of members opposite to say, look, if we need more money, we would rather go this way rather than that way. But to have members opposite - and I'm going to in my remarks, Mr. Speaker, talk about what a Tory Budget would look like.

What would a Tory Budget after having - we've had the experience of four years - Mr. Speaker, we would know. Anyone can guess what a scenario, but only members opposite are objecting. It would only be members opposite who are objecting to what they would do if they were in office. They don't want to at least

. . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order please.

**HON. B. URUSKI:** Mr. Speaker, the Conservative Party - let's deal with health care, and I have the former Minister of Health in this House. Let's deal with how they would look at the health care field, Mr. Speaker.

For three years, we had a freeze on health care construction. Within the fourth year and election time coming, we had to open the floodgates because we were in trouble. We even gave massive wage increases to our professionals in the health care field, wage increases far beyond what the economy could take but because we had frozen everything in the past number of years, Mr. Speaker.

Mr. Speaker, the doctor, the nurses - I need not remind the honourable members how things worked. I mean, let's understand where we were for three years. You know, rather than show that our deficit is going to increase in current, we will do something different. We will privatize our health care institutions. We will allow private individuals to build health care nursing homes in this province and we will cover them off rather than balloon our Capital expenditures. We will pay for them through the per diem charges and leave somebody with a Capital asset rather than the people of Manitoba. That is the difference between the Conservatives and the New Democratic Party, Mr. Speaker, privatization of health care. That's what you would see in a Tory Budget because they want to keep the Capital expenditures down.

Mr. Speaker, we will not allow any further privatization of our health care system. Every clinic and every institution that goes the private way is a black mark on this province, on these people, Sir. We, as members of this government, will do everything in our power to prevent that, Sir.

What did we hear from the Member for Morris when he was the leadership candidate, Sir, dealing with education and the education critic? Mr. Speaker, we are spending too much on education. We are spending too much on education, Sir.

**MR. SPEAKER:** The Honourable Member for Morris, on a point of order.

**MR. C. MORRIS:** Mr. Speaker, I don't mind the members opposite quoting me in front of the House, I just ask that they do it accurately. I never at any time said that and I would ask the member to withdraw that remark.

**HON. B. URUSKI:** The honourable member certainly left me with the impression, but if he says he did not say that, I withdraw that comment, Mr. Speaker. But certainly he has left the impression in my mind and in many Manitobans that if he was the leader of that party, there would have to be a diminution in spending in the Province of Manitoba. There would have to be. There would be no other way. Even in his remarks today, the expectations of the citizens of Manitoba are too high. Thereby you can only come to one conclusion, that you have to reduce spending much further, even much further and you have to cut even more so than they did in the three years when they were in office, Mr. Speaker. That's really what he is saying. If he does not want to say that because I alluded to his comments in the area that he is the critic for, in Education, I alluded on the whole Budget, because that's really what he has said.

There is no doubt that the honourable members opposite would bring this province - if we thought that we were into a recession now, we would be on our knees. This province would be on their knees in terms of where we would go in terms of our economy.

Mr. Speaker, we lost - and agriculture is a prime example - 25 percent of our beef producers during their period when we had a Beef Income Assurance Plan which they scuttled. They did everything in their power to downgrade income stability in this province.

They did everything. Mr. Speaker, we came into office and we ended up having to try to pick up some of the pieces. We lost 25 percent of our cow herd. We had to re-invest millions of dollars into income stability in agriculture, in one sector alone, to try and pick up the pieces of neglect, Sir. To try and pick up the pieces of neglect.

Mr. Speaker, look at the long-term planning - when you look at a Conservative - in the hog industry. Do we provide stability in the long term? Oh, no, we really can't do that, Mr. Speaker. Two years is more than enough. Let's give them a cash pay out and let's forget about it because the problems will go away. Well, they did not go away. There has to be a long-term commitment. There has to be a partnership. Mr. Speaker, there has to be a partnership between governments, industry and the citizenry of Manitoba to be able to provide the long-term benefits and the long-term investment to make sure that our economy goes in the right direction and the basic services are protected.

Mr. Speaker, we did invest in a long-term program in two livestock sectors. We have and we will continue to. And that partnership, Sir, will result in added jobs, protection of jobs in the City of Winnipeg because of the stability and investment in agriculture, there will be the protection of jobs, and there will be I believe in the long term the rebuilding of our meat-packing industry in the Province of Manitoba. This kind of investment, Sir, is what is required, not the sort of the hit-and-miss and say let's forget about the economy when Conservatives speak in this Legislature saying, we haven't done enough for our farmers. Let's look at the Budgets.

Mr. Speaker, let's look at the 1981-82 Budget and taking the inflation out of that Budget, the Tories spent somewhere in the neighbourhood of approximately \$45,900,000 in agriculture. Mr. Speaker, in 1983-84, we spent \$54.4 million, an increase of almost \$9 million and that is absolute. That is taking out a 10 percent inflation rate annually for those years. So when members of the Conservative Party talk about agriculture being in a depression, they're right. Agriculture and farmers are suffering in this country, but, Mr. Speaker, the problems did not arise overnight. It is through shortsightedness and neglect on the Conservatives' part for pure political gain, for pure politics, that many of our farmers in Manitoba today are suffering. No other way; for no other reason.

There is no doubt that we provincially will not be able to put enough money into agriculture to stave off some of the bankruptcies that are there. Mr. Speaker, looking at what we have done in comparison to what happened three years ago, Sir, it is like night and day and there is no doubt that the long-term stability of our sector is there and it is only there as a result of the commitment by this government to stabilize those incomes of those producers.

Sir, members opposite speak about energy investments and deals that they had made and somehow want to berate the proposed agreements that we are signing and one that we looked at and they keep saying, look, your U.S. deal, table the agreement and we had a Western Power Grid which you have scuttled and watch the hydro rates go up - that's basically what is being said, watch the hydro rates go up.

Let's just briefly in general terms look at what the Western Power Grid was going to do, Mr. Speaker. Let's look at the reality of the Western Power Grid. Manitoba's power needs, Sir, are in the same period and the same time frame as they are of our counterparts both east and west in this country. Saskatchewan needs power during the winter time, just as we do in Manitoba - that is where their peak requirements are - so is Alberta, Mr. Speaker. So, somehow the deal that we are making with our American neighbours, somehow now we are anti-Canadian because we are signing an agreement with the U.S. neighbours, Mr. Speaker. On the one hand they want to criticize some of our members for taking part in a flag burning, but all of a sudden we are — (Interjection) — well, of course they are because really that's what they're saying. On the other hand, they're saying oh no, no, you are now anti-Canadian because that's the sentiment they want to express.

So, Mr. Speaker, in the Western Power Grid the provinces of western Canada require the power at the same time as we do, so we would, in fact, have been building a power plant for the sole use of our neighbours. What were we agreeing to, Mr. Speaker? Not to the price of energy or not to the cost of a plant, but some negotiated agreement that may or may not have any financial benefits to the Province of Manitoba. Mr. Speaker, they criticize a proposed agreement on this side to tie energy rates to the cost of fossil fuels. Somehow they criticize that principle in terms of tying our electrical energy to other forms of energy costs, Mr. Speaker, as being a negative principle. That is the negative principle that they speak about.

Mr. Speaker, there is no doubt that the agreement that we are entering into, that we are negotiating, is to the benefit of Manitobans because it will guarantee another plant at today's costs which in the long run will have a dampening effect on the rates that Manitobans will pay because the price will be blended in terms of what Manitobans will pay in the future costs of electricity.

That leads me to another issue, Mr. Speaker, and that issue deals with the investment or the proposed investigation to set up an aluminum plant in the Province of Manitoba. Here's where we differ fundamentally from the Conservatives. We, as a party, were not prepared to sell our heritage, Mr. Speaker, we were not prepared to give up our heritage and the resources of our people for the sake of economic development. What does it mean? They say look at your hydro rates.

Well, Mr. Speaker, we want to look at our hydro rates. Just examine what the Conservatives are saying. They are saying we should have allowed Alcan Aluminum, the sole ownership of a hydro plant at today's costs . . . — (Interjection) — half of a hydro plant at today's costs, 500 megawatts . . .

**MR. SPEAKER:** Order please, order please.

**HON. B. URUSKI:** . . . Mr. Speaker, at today's costs in terms of the future rates of power for 35 years. Mr. Speaker, that's what was being discussed by the Conservatives — (Interjection) — no? Then let somebody get up and tell us what the agreement was. I will give you my version of it, Mr. Speaker.

That agreement pegged the rates of Alcoa for the length of the agreement at one rate at today's costs, Mr. Speaker, whereas every Manitoban will be obliged, Sir, to include in their future costs of electricity a blended price because the future costs of new plants will be blended into the cost of electricity that has already been paid for, Sir, but not for the Alcoa, not for Alcan in terms of their agreement. — (Interjection) — Mr. Speaker, that's exactly the point. Either the Member for Turtle Mountain - maybe I haven't made myself clear - doesn't understand my remarks, Sir.

The fact of the matter is, they were prepared to give one price for electricity at today's costs of the cost of construction of a plant — (Interjection) — well, Mr. Speaker, they were not.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order please.

**HON. B. URUSKI:** Escalating Hydro rates. Mr. Speaker, unless the plant is built and the future costs of electricity are blended into the rate of the construction of a plant, it is a giveaway. It is purely a giveaway, Mr. Speaker. That is really what it is. They can deny that all they want. Maybe some of their own members didn't understand that but, Mr. Speaker, the people of Manitoba understood that. They were not prepared to give away their resources forever and a day, Mr. Speaker, with no ability to have some control over those resources.

Mr. Speaker, even the present Letter of Understanding under this agreement, Sir, the principle of the agreement says that the energy rates will be at the cost of production and there will be the rates that all Manitobans, in terms of the long-term, will be paying because it will be a blended rate. Today's costs will not be the cost of rates forever and a day for that industrial development, Sir. That's the fundamental difference between the Conservatives and the New Democratic Party in terms of how we deal with our energy resources, Mr. Speaker, and that's where . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order please, order please.

**HON. B. URUSKI:** Mr. Speaker, rather than allowing the giveaway, and I say that is a giveaway, maybe the Honourable Member from Lakeside doesn't understand that. The fact of the matter is, unless within the agreement there is a blending of rates for the future

construction of future dams, then that is a giveaway, Sir, because that means that today's costs of construction are pegged for that user, and that's the fundamental difference between their plans and our plans, Mr. Speaker, that's the fundamental difference and we will not allow that to happen, Sir

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order please. The Honourable Minister.

Order please, order please. If members wish to conduct their own private debate would they kindly do so outside of the Chamber and then we can all hear the Honourable Minister.

**HON. B. URUSKI:** Mr. Speaker, I think probably the best example of how the Tories manage the Manitoba Economy and where we would be at today is really depicted in this chart, really clearly depicted in the chart of population in the Province of Manitoba. Clearly depicted in either one, I mean they can pick. Mr. Speaker they do not even want to give the Minister of Finance of this province, and the Minister of Industry and Trade in charge of the Jobs Fund, the credit that the Jobs Fund and the investment of the people of Manitoba into the economy, that credit that they deserve.

The Honourable Member for Morris came the closest to acknowledge that some of the things that we have done have been good, but he didn't say it in those terms. He said, "The economy has strengthened notwithstanding the NDP." Notwithstanding the NDP, at least he has come about as close as one can come to say things have improved in the Province of Manitoba. At least I have to give him half his marks that he is, while being negative, he is not 100 percent negative. Mr. Speaker, the people of Manitoba . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**HON. B. URUSKI:** You're right, Mr. Speaker, things were so bad, Mr. Speaker, when they were in office that we had nowhere to go but to attract the people and do something to the economy and show what has happened. Not only have we done that, Sir, the population has increased at a higher rate than ever in the history of this province, and the unemployment rate is the lowest in the country, Mr. Speaker.

**MR. SPEAKER:** Order, please, order please.

When this matter is next before the House, the honourable member will have 10 minutes remaining. The time being 5:30, I am leaving the Chair to return at 8:00 p.m. this evening.