



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

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**DEBATES**  
and  
**PROCEEDINGS**

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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>	Virten	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>USKIW, Hon. Samuel</b>	Lac du Bonnet	NDP
<b>WALDING, Hon. D. James</b>	St. Vital	NDP

# LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, 3 May, 1984.

Time — 8:00 p.m.

## BUDGET DEBATE

**MR. SPEAKER, Hon. J. Walding:** On the proposed motion of the Honourable Minister of Finance, and the amendment thereto proposed by the Leader of the Opposition, the Honourable Attorney-General has 19 minutes remaining.

**HON. R. PENNER:** Mr. Speaker, just to recap, I had prior to adjournment taken issue with the Leader of the Opposition's extravagant statements about our bankruptcy of ideas, lacking courage of convictions, lacking competence to do anything worthwhile and I had summed up why there is not only an incredible legislative and delivery program, but I had pointed out in many instances the finest in the country.

I talked about rent control, compared it with the program that the Leader of the Opposition, when he was Minister of Consumer and Corporate Affairs, attempted weakly to defend and it seems to me is hinting at its possible resurrection should that unhappy day come or if the Tories assume power again.

I talked about our day care program, again the finest in the country; the Jobs Fund, and I'll return to that; Workers Compensation; Workplace Safety and Health; pension legislation, which demonstrates not merely the rhetoric but the actuality of a concern for workers in the workplace.

I had spoken about our Family Law amendments; carrying on, I readily grant a tradition which has developed through several administrations, not just an NDP administration.

I talked about the administration of justice and here I would like to just add before coming back to my theme relating to the Budget that even though there have been difficult questions of priorities and prioritization of the reconstruction, the construction and the reconstruction of whole court complex is proceeding. It represents our dedication to the importance of the administration of justice at the civil as well as at the criminal levels that we will have when the new court building opens at the end of this year, January of 1985, reconstruction of the old Law Courts, the Land Titles Office. When all of that comes on line within a year-and-a-half to two years, one of the finest court complexes in the country, and not a high-class cadillac court complex, but one that is designed to meet people's needs.

I had done that and then I began to reflect on the Budget pointing out that to understand a budget, and I'm not talking about figures, adding them up and subtracting and multiplying, fooling around with statistics and so on, games people love to play, I'm talking about the role that a budget plays in terms of the direction in which a government is moving, its philosophy and policy, that budgets have to be analyzed from that point of view. You don't take one budget in isolation, you take the budgetary policy of a government.

I think the Budgets, which this Minister of Finance has brought down in his term of office, have amply demonstrated his and this government's commitment to the basic philosophy of the NDP, that is, to provide a social safety net and to preserve it, to redistribute to the extent that we can within the existing system income earned by all in society so that there is a more equitable distribution, a just society, and recognizing that within a province like Manitoba we work from a very limited tax base, the need to couple with that an economic development policy which expands not only job opportunities, but with it expands the tax base from which out of the earnings of all of us collectively the payment of a service to all of us collectively can be made. I mean, that is the NDP philosophy. Their attempts there to sever it, to pigeonhole it, and then to attempt to take it apart is futile.

Overall, I would characterize it as a post-Keynesian Budget, the Budget that was brought down by the Minister of Finance. We have through the course of our Budgets done much to stimulate on the demand side. We very much believe that must be done. We did that by being very cautious with respect to the sales tax, still the lowest in the country of those that have a sales tax virtually, tied with Saskatchewan. Saskatchewan and us - well Alberta, Saskatchewan and ourselves — (Interjection) — well, the Leader of the Opposition knows whereof I speak - also, in terms of basic government spending and a whole number of areas and programs through these years since November, 1981, which has not only maintained but has expanded a whole number of social programs and in education and in health care.

So we, as I say, Mr. Speaker, have stimulated on the demand side by carefully measured government initiatives. We have been doing what we could, and will continue to do what we can to assist on the supply side as well knowing that not only was the so-called free market system in ruins, but that it is not recovering to the extent that we would hope that it would. The uncertainty of the economic situation is one that must give us all pause and all concern. We are not being Pollyannish at all. We are being very measured in our response, knowing that there must continue to be not only, as I say, stimulation of consumer demand by doing everything we can to maintain levels of income, but there must be as well this economic thrust and this stimulation on the supply side.

A good example of a program, again the finest in the country, which combines these ideas - and we've worked from an analysis of the economy, from good statistical evidence and from ideas - is the Homes in Manitoba Program where through assistance, we have helped on the demand side, bringing into the market hundreds, thousands of people who otherwise could not be in that market. Their need was real. Then on the supply side, what we did in the market there with these initiatives, gave a boost to the badly-hit construction industry that it would not otherwise have had. There is but one example of a carefully thought

out, well-articulated policy. The former Minister of Housing is sitting in the House, and it's a credit to him as well as to the government as a whole.

It is important to understand the relationship, the symbiotic relationship between demand and supply. People tend to think of it dichotomously. You either are demand-oriented, or you're supply-oriented. That's nonsense. It is demand and supply. As Laxer recently pointed out, even a parrot can learn to say, demand and supply.

The Jobs Fund, the genesis of that incidentally, and I brought it with me, was a submission that the Minister of Finance made to the feds, the Federal Government, at Miche Lake, (phonetic) Quebec, December 16, 1982, "The unemployment crisis in Canada, Manitoba's proposals for a co-ordinated national response." Read that again, because you talk about our lack of direction or ideas and so on. We have had a very carefully articulated direction from the word "go," from the moment it was . . . if the Federal Government had taken the ideas developed by our government and articulated by the Minister of Finance in December of 1982 and put them to work he would have put Canada to work.

The Jobs Fund, Mr. Speaker, was not just the infusion of capital, not just throwing money at the problem, but it was primarily, pre-eminently, the marshalling and directing of public capital to maximize its effect, and it worked, and it bugs them. But as Louis Armstrong once said, they ain't seen nothin' yet.

The very careful work that we have done in planning and in bringing back in government - and we apologize to no one for it - a planning capacity that was stripped out of government by the former Leader of the Opposition because of his fixation on the free market, the free market will do it, the free market will do it, the free market failed. It took time to build a planning capacity and he can talk all he wants or they can talk all they want about these socialist gypsies and so on and so forth, we brought in without political labels because they came from every part of the country. They came from Alberta and they came from Ottawa and they came Saskatchewan, the finest group of planning expertise that you could find, and it is paying off for all of Manitoba.

Just a few words about this levy versus the sales tax debate. I'm glad the Leader of the Opposition is here. You know, in an interview that he gave just shortly after he became the Leader of the Opposition, and it appeared in Manitoba Business, an interview he gave to Roger Newman, he is quoted as saying that removing the payroll tax is a No. 1 priority. Can you imagine the highest aim, I mean he struggled for political office, he had this fellow, Zeach (phonetic), you know he had all that paraphernalia helping him attain this pinnacle of political power, for what? To remove the payroll tax as he calls it, the health and post-secondary levy. Did he want political power for a just society, for the greatest good, for the greatest number, his highest priority is to focus on one tax. Did he say that his highest goal in life was to remove the sales tax? No. To lower taxes on low income earners as the Minister of Finance has done? No. He's got one thought to rub together and it makes no sounds, like the sound of one hand clapping. And what would he put in its place?

The payroll tax as it now is generates about \$100 million a year. Would he put two points of the sales

tax, because it takes about two points of the sales tax to raise that amount of money. He says, not me, it's them other Conservatives, it's my Deputy Leader, but he didn't really mean it. It's Warren Steen, but he didn't really mean it. What was he doing saying it if he didn't really mean it? Or it's McCallum and maybe he is, maybe he isn't one of our economic gurus, but if he wants to, and he'll have a chance to speak later during the course of this Session, if he wants to say that we're going to remove that levy and we're not going to put in 2 points on the sales tax, he's got to say where the \$100 million is coming from.

**A MEMBER:** He's going to reduce the deficit.

**HON. R. PENNER:** Oh, he's going to reduce the deficit at the same time. So he's got to say where \$200 million is coming from. \$200 million in their thinking and in that planning will come from nowhere else but out of the backs of the people. Just as in B.C., there is no other alternative.

Speaking of McCallum, he is now . . .

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

**MR. SPEAKER:** Order please. Order please.

**HON. R. PENNER:** Oh, about 10, 15 years. McCallum has at us again, "Manitoba Burdened by Huge Deficit." He's a little more careful this time. He's not making too many predictions.

**HON. V. SCHROEDER:** No, he's not saying what it's going to be this time.

**HON. R. PENNER:** He's little more careful, but he's not any wiser. You know, that man as an economist is so one-eyed in his view, he got a fixation on the deficit as if it is the only element in fiscal policy, and it's that kind of, incidentally, one-eyed view which led to the sheer madness of British Columbia, where they are tearing asunder the social safety net and we're paying for it.

I just must point out again that as the Minister of Finance has pointed out in his presentation to this House, the operating deficit - and that's what you look at to see what you're paying for the services that you give - this year will be \$167.5 million and is projected, and the last figures we have for 1983-4, to be \$236.5.

Mr. Speaker, what has to be understood, and some of them over there understand it; you know who I think understands it probably better than anybody is the Member for Pembina; nobody should underestimate him just because he acts so silly sometimes. Their economic guru, the Member for Morris, who has some kind of itzy-bitzy economic degree, he's so single-visioned that he doesn't understand the difference between investment and operating costs. It is so elementary, we learned that - in 4th year Law they gave us a course in income tax and all the rest of it; you learned the difference then between deficit and investment. The operating deficit is \$167.5 million and that is a manageable figure by anybody's measure. What has to be seen is the investment side, last year and this year has produced the kind of economic upturn,

the kind of economic stimulation, the kind of economic world in which human beings can have a decent life.

Yes, Mr. Speaker, the rest is on the capital side, the rest is investment. It's investment in the present; it's investment, Mr. Speaker, in the future; it's investment for a more just and equitable society and that's what it's all about. When we were elected - yes, with a lot of political rhetoric - we all know what elections are about - but we said that we had a goal with respect to a greater Manitoba, a greater future, and we have struggled through a depression, through a recession, but we have not lost sight, either of the goal or the means, and we have, when the pressures were every which way on us to go astray from that path, we have, Mr. Speaker, carefully developed a planning and a fiscal policy which is now paying off for all Manitoba. It means - and this probably in one way is the greatest net benefit of all - it means that that bunch of knockers and losers will be sitting there, you know, in 2001 and we'll have a Space Odyssey party.

**MR. SPEAKER:** The Honourable Member for Sturgeon Creek.

**MR. F. JOHNSTON:** Thank you, Mr. Speaker.

**MR. SPEAKER:** Order please, order please.  
The Honourable Member for Sturgeon Creek.

**MR. F. JOHNSTON:** Mr. Speaker, I have witnessed several days of what an honourable member of this House, or he used to be a member of this House, used to say many times. Russ Paulley had a very very apt, descriptive way of putting it. He says, we've heard about enough tripe from that rabble. Russ Paulley always expressed himself as listening to the rabble on the other side, and I can say to you, Sir, that is exactly what we have heard for the better part of this week from the government side of the House.

We have had the waving around of what they call a red, white and blue brochure on the flood. I would only say, Sir, about that book, the day it was released, Sir, there were not five people get their pink slips from the Legislative Library of this department. The day that book was released, Sir, we hadn't had somebody tell us that there were going to be about 250 people released from the government. The day that book was released, Sir, there were not hirings going on of hacks throughout this government, as has been so ably said. There were not people that were put in the executive assistant, legislative assistant slots. There were not people put in assistant deputy slots and director slots that were imports from another province who happened to change government a little while ago.

Mr. Speaker, this government is a group of people who take great delight in spending the people's money on the disgusting advertising that we have seen, plus the fact that they take great delight in reading that advertising rather than looking into the faces of the people that have been discharged from this government and explaining to them very seriously why they, Sir, have lost their jobs.

Mr. Speaker, we have also heard from the Minister of Resources who has traded all his principles that he used to have . . .

**A MEMBER:** It took him about four minutes.

**MR. F. JOHNSTON:** Mr. Speaker, but he has now given us a great lecture on the old corporate welfare bum theme of Mr. Lewis. Mr. Speaker, I wondered why all of a sudden we got that particular lecture in this House, and then I read the paper and I found that, well that's what Mr. Broadbent has been saying for the last two days. Mr. Broadbent has now come forward with his theme. He couldn't find anything new. He had to look for something that was an old red herring, and he certainly came forward with the corporate welfare bums theory.

The Member for St. James has followed up on it, and I don't think it is going to change Mr. Broadbent's position in the polls whatsoever. As a matter of fact, it won't change the position of this government in the polls in the Province of Manitoba.

**HON. A. ANSTETT:** Do we look worried?

**MR. F. JOHNSTON:** Mr. Speaker, the whoever he is over there, he says, do we look worried? He doesn't. He doesn't care, anymore than he cares about this House, Mr. Speaker, a House Leader who believes in closure, who in my opinion believes in muzzling the opposition at every chance he gets, in my opinion is a disgrace to the office that he holds, and obviously is being found out by most. His greatest ambition in life when he makes a joke about something is to look up at the gallery, look up at the press box and smile around at the people. But it's amazing, Mr. Speaker, when he leaves the building, he walks up to his office and then you see him sneaking back down the hall to the press room to see what he can do there. He's trying to earn an Academy Award most days in the House but, Mr. Speaker, that's something that he has to live with, and he will have to learn that arrogance in this House is something that does shorten a member's life here very much.

It's the same as the humour of the Attorney-General that everybody thinks is so marvellous. The Attorney-General at a banquet the other night, he got up and he stood there and he said, there's a lot of important people at this head table, even Gary Filmon - sarcastic, stupid humour, that's what we get from the Attorney-General. That is the type of humour that we get.

Mr. Speaker, the other part of it is that this government is not trusted anymore. It isn't trusted, Mr. Speaker, because the man at the top certainly has the ability to say anything at any time. He doesn't care what he says, doesn't worry about the consequence of what he says.

You know, he talks about the doom and gloom. Do you remember the days, those members that were here, when this was put out by the opposition by Mr. Pawley . . .

**A MEMBER:** Oh, what's that, Frank?

**MR. F. JOHNSTON:** Oh no, it's the other book. It is the New Democratic Party in 1980 when they were in opposition and they said, Bata Shoes had left, they hadn't; Glenella Creamery closed, they hadn't. TransAir had moved from Manitoba, but they had been

purchased by another company. They expanded their head offices in Manitoba - strictly was proven to be just about 90 percent wrong.

You know, Mr. Speaker, the bulletin that was put out in 1981, and I now know where the Member for Thompson got his words, "The overall economic growth and energy savings would have been avoided if orderly development of Hydro had not have been cancelled in 1978." We all know and according to the prospectus that this government put out - and it's right here - in 1981 when they came to office states that the NDP Government stopped the construction on the Nelson River in 1977. That's the type of thing that comes from the top of this party.

He stands up and he wonders why the people of this province don't have any more trust in his government, because the people of Manitoba will never forgive somebody who misleads them. They will never forgive. They will never forgive a person who breaks his promises. They will never forgive a person who makes promises and breaks them just as easy as he walks down the street during the day.

Mr. Speaker, the demonstration has all been there in a "Clear Choice for Manitobans." Mr. Speaker, why? Why would these honourable members even argue about that? They have dropped to being the most unpopular government in this province. Mr. Speaker, they have dropped there. And why? Because they came to office in 1981, a group of smart alecks who walked in and said, "I know what's best for all you people in Manitoba. I don't really care what you like and what you don't like. I don't really care if something that I do will have an effect on this province for a long long time." They went to work and they just said, "We will ignore whatever we said during the election campaign; we will ignore promises that we made to the people during that campaign, and we will just do what we like."

You know, Mr. Speaker, they honestly believe and like to control other people's lives. Mr. Speaker, they believe that they know what is best for you and, you know, the people of Manitoba have told them that they don't like that kind of government. They have told them in the polls that we don't want you anymore. In Northern Manitoba, where they're popular, not wanted anymore, and in Northern Winnipeg, where they're very popular, not wanted anymore. The greatest importance in their life within this Chamber is to laugh about a piece of literature most of the time, and their greatest importance in life is when they meet in the caucus room every day and they say, "Well, now today, gentlemen, when somebody speaks, be sure and rap the desk, and when so-and-so says something, hit the desk, make a lot of noise, please keep it up." Because the people that I talk to, who watch the televising of the Legislature question period really believe sincerely that they have as a government the largest group of little children that you've ever seen in your lives. They say they don't answer questions; ask them something, you don't get an answer, like a child who's afraid to tell his parents maybe what he did for the fact that he might get punished or something. You know, they just absolutely act like juvenile children, who have really really lost all concept of how this Legislature operates, and quite frankly, Sir, lost respect for it, lost complete respect for this Legislature.

Mr. Speaker, the Member for St. James in his corporate bum speech that he copied because Mr.

Broadbent is taking that theme, has lost every bit of principle or dropped any that he ever had before. He displays a complete hate for anybody around him who may have been a little bit successful, although he loves success in his own personal life, but that's what he displays.

Mr. Speaker, the payroll tax - let me, first of all, say, Mr. Speaker, the First Minister stood there today and he said, "I want some constructive criticism." Well, Mr. Speaker, if the First Minister had only thought a little bit, he has had constructive criticism for two years and he's acted on some of it. He was told, Mr. Speaker, that for heaven's sake stop discouraging investment within this province, and to please start to encourage private investment within the province. You know, we've been telling them that for two years and now, all of a sudden, they have decided to do it, Mr. Speaker.

Mr. Speaker, I can forgive my colleague, but as I have always said, the House Leader is supposed to lead the decorum in this House, and never has. He's the worst chatterer in the House. He's the smart aleck of the House. He leads them in it.

But, Mr. Speaker, the First Minister had got advice and the Minister of Finance had got advice, don't put on a payroll tax in this province, you will discourage hiring people; you'll discourage job creation; you'll discourage investment, he was told. After he had put it on, he now comes along and he realizes the error of his ways, because he was told the error of his ways, he was told it by us, he was told it by the Chamber of Commerce, he was told it by the small businessmen, he was told by everybody that that was a terrible tax, so they now have moved to take some of it off.

Mr. Speaker, the way they have taken it off though is rather disgusting. They should have been 50,000 across the board, rather than taking it off the people that they have taken it from, or eliminated from the tax, it should have been 50 percent across the board as my colleague from Turtle Mountain has mentioned.

Mr. Speaker, they still have left a tax that makes it a crime practically, a crime, because you've got to pay tax and if you don't pay it you're charged to have a payroll of more than \$50,000 in this province. Mr. Speaker, they listened a little bit, but they couldn't get away from their ideology that they are so steeped in at the present time.

Mr. Speaker, then we have a Minister of Finance who finally realized that there had to be some more incentives towards helping investment within this province, he has listened to that.

So, Mr. Speaker, the First Minister has had, and this government has had, good advice which they never took from anybody when they first came in. They were the smart aleck people that knew best of all for anybody, weren't going to listen to anybody and just went merrily along putting on their taxes and controlling people's lives, and now they have found that, because of the polls, the people of Manitoba didn't like what they were doing. Well, Mr. Speaker, I guess there comes a day when people start to wake up.

But, Mr. Speaker, then they talk about the investment within the province and how much investment they're going to have, and they go merrily along creating legislation and regulations, nearly every day they're in office, that discourages it. They're going to spend all kinds of money or talk about the Jobs Fund, they're

going to do all of these marvellous things with the Jobs Fund to create investment within this province, and then on the other side, every day that they go along they turn around and create a regulation or bring in new legislation that is discouraging business from expanding within this province or coming to this province.

I'm not too sure that the socialist doesn't like that. You see, I can't fathom anybody being quite that stupid, you know, to want one thing and do something to discourage it is rather stupid. But you see they really know that if they are the ones spending most of the money and you discourage new investment or larger corporations coming into the province that some day they will have the small business people, mostly or 90 percent, relying on government spending. That's what they aimed to do when the Schreyer Government was in power in Manitoba and they're gradually working to it again in this province at the present time. We could probably expect at any time another farm land stay option program on the farm land, or farm land ownership policy, or something of that nature because that is without any doubt behind the thinking of this government, Mr. Speaker.

Then you have a Minister of Finance who completely refuses to have the Interim Supply come in. He goes to this great expert on rules, who defends on the rules, and says, "well, you don't have to do it." There's nothing that says how much you have to do. So they come in and they pass this \$1.3 or \$1.5 billion of supply without it coming to this Legislature. Is that respect for this Legislature? Is that respect for the oath that you took when you became MLAs? Is that respecting the promise you made that you'd be open government when you ran the last time? No, it's just another promise being broken by the government.

The Minister of Finance, every time he answers a question, he doesn't it, he starts to mislead, and when he's caught on it he misleads a little more.

**MR. SPEAKER:** Order please. It is improper to accuse another member of misleading the House.

The Honourable Member for Sturgeon Creek.

**MR. F. JOHNSTON:** Mr. Speaker, I would say that the statements he makes when he's answering questions are not correct. When he gets brought to task on it, he says something else that isn't correct; and when he gets brought to task on that, he says something else that isn't correct, then he goes on and on. Mr. Speaker, when you keep making incorrect statements that often, you don't sleep nights. You have to have an awful good memory when you make that many incorrect statements. You know, he hasn't got that good a memory and he's cornering himself every day of his life. He thinks it's smart to stand up in this House as Minister of Finance and not answer questions.

Well, let me tell you how smart the business people who take the time to watch on television think he is. They absolutely agree with the editorial in the Free Press that he's stupid. It's really too bad to have a Minister of Finance that does that.

Mr. Speaker, the Premier today practically repeated the Throne Speech and it was repeated in his speech when he spoke on the Throne Speech and he practically

repeated today, he went on about the technology system and you know we don't argue with having technology transferred to the people of Manitoba, new technologies, but one of the first opportunities they had to gain some technology they blew it. Flyer Bus gave the contract to Ontario Research Council who subcontracted it back to Manitoba and the excuse is that Manitoba did not have all the expertise so that the contract went to Ontario. Did they ever think if Flyer Bus had given the contract to Manitoba, who has the state of the art computers, better computers to do the job than Ontario, and Manitoba were to sublet the contract, Manitoba would gain the technology that Ontario has, plus the technology they have themselves?

Mr. Speaker, how can you really expect anybody who claims they have programs for the benefit of the people of Manitoba and they don't know how to manage themselves? They have no clue on how to manage themselves. They have no conception of business.

Mr. Speaker, the consultation that they had with business, I can only refer to Mr. Martin's letter that was tabled here awhile back, that I tabled. I've got lots of copies, if they want it tabled again, fine. But, Mr. Speaker, Mr. Martin said that the summit they had in Portage la Prairie was done for political reasons. They gained a lot of political marks for what they did, but the next one he said was an absolute sham - in so many words, I could refer to the letter, I have it here - and they shouldn't be held anymore if that's the way they were going to be held.

So again, Mr. Speaker, they put up the great big front that they're dealing and talking with business and quite frankly they get criticized by the people, the very people that support them. Mr. Speaker, they put forward figures in the House. They read them off in the House and they have developed a room of about 30 people up here in the building that take all the figures and they throw them into computers and they have them come out looking exactly the way they want them to come out, Sir.

Mr. Speaker, they never really stopped to analyze. They have a new figure, average increase or decrease before recession. I have a hard time figuring out what that really means, but what it means that if the draft starts to go down for a couple of months, they disregard that, they only look at the top parts of the graph. So that's the type of figuring they do with their selected figures.

Mr. Speaker, they keep talking about the population but they refused to refer to the article in the Free Press that immigration in the first couple of months of this year in the Province of Manitoba in-between provinces is down and they refuse to say anything about that.

We had a bright light the other day when the Member for Springfield admitted that we always lose on interprovincial migration. So, Mr. Speaker, there again is one of the reasons why the people of this province don't trust this government, they can't manage anything.

Mr. Speaker, the Member for St. James said, "Have I run out of manure yet?" I don't mind admitting, Sir, that I didn't think much of his speech, but I didn't call it that. If he wants to take exception with the fact that he's lost all his principles, I don't mind that either. I just feel sorry for people close to him, that's all.

Mr. Speaker, we have had this government, who wants the secrecy of an agreement that has been put forward

to the Northern State Power Corporation, they want the secrecy. Yet this is the government, this is the group on the other side that would stand there and say to us, you're mortgaging the future of the people of Manitoba, future generations. Yet they are not prepared to put forward the agreement that they have made and have it examined and that, Sir, is just a disgusting situation, because I'll tell you in 1993, those young people of today in Manitoba that have to start paying for these things, or if they are going to have to pay extra for them, should have known that there was an opportunity for Manitobans with knowledge of the situation to examine it very closely. I don't claim to have all that knowledge, Sir, but there are people that do, and they should have the opportunity to look at these arrangements very closely. But, Mr. Speaker, they don't believe in what they say.

Mr. Speaker, then we have the Alcoa deal, the arrangements with Alcoa. Mr. Speaker, as my colleague for Lakeside has said, we're right back where we were four years ago. We are just starting. Mr. Speaker, I remember when it all started. Because of the NDP botching up the Hydro within the province, because of hydro rates having a compounded increase over three years of 150 percent, we were in the position of having to find large users of hydro. We went out, and we did it. We went looking, and we found it.

We had a tough time finding those people or convincing those people after we found them that this Manitoba in the middle of the country could possibly have an aluminum smelter which was a hydro-intensive industry. All of their plants were on water. The situation they had in B.C. and Quebec was one that they had their own power plants, their own arrangements on water. They didn't really think that it was feasible for those people in Manitoba to even think that there was a possibility that a smelter could be in Manitoba, but we sold it.

We talked to them and we sold it, and we got them convinced, Sir, to do a feasibility study within our province. We had them sit down with us, and they agreed to do a feasibility within the province. At no time when we had any discussions with them did they request any funds. At no time did they request us to pay for any part of the feasibility study. All they said is that we as a company must have an agreement on power, a long-term agreement on power. That's the way they operated, and that is the way they continue to operate. They wanted an agreement on power for a stated period of time.

Mr. Speaker, what did the NDP say about it? Headlines about the smelter, the whole province would be buried in smoke, etc. They said that - you know, they actually had the nerve and they still do it in the House - the Member for Ste. Rose when he quietly meets friends in the street - that's the danger of that member, you know. He doesn't say much here, but he whispers in people's ears as he moves around. He goes along and he says, we were selling Hydro - Manitoba Hydro. We were going to sell it. Did you ever hear anything more misleading or incorrect than that statement?

Mr. Speaker, Alcan wanted and requested to own a minority share in a power plant on the Nelson River. Mr. Speaker, the Nelson River has a capacity of 12,000 megawatts. Alcan wanted to have some security on

500 megawatts, less than one-fourth of the capacity of the Nelson River. They were willing, Sir, to pay approximately \$500 million to have that privilege. They were going to up front money, take that interest off the taxpayers of Manitoba's backs — (Interjection) — I'll get to that. I'll get to that.

They were going to take that interest off the taxpayers of Manitoba's backs. Mr. Speaker, what happens? They intended to go for 35 years, and then there would be an agreement that states, if they couldn't come to another agreement within three years that we would have the opportunity to buy back or even buy the smelter.

Now, Mr. Speaker, this great genius from Inkster, I would like him to tell me what the lawyers should have done, or what we should have done. Mr. Speaker, he can tell me when he speaks. He can write me a letter, quite frankly, but I don't think - you see, Mr. Speaker, that's the seriousness and the respect he has for this House.

Mr. Speaker, I would like to know. In fact, I'll ask the lawyers that are sitting here right now. Would they leave it completely open-ended, that we could negotiate forever, or that we wouldn't negotiate at all, or what we should do if we can't come to an agreement? Mr. Speaker, I don't know of many arrangements such as that that a lawyer wouldn't say, well after you have negotiated for three years and you can't come to an agreement, what are you going to do? Mr. Speaker, I will tell you that is what better lawyers than the Member for St. James told me yesterday after it was brought up in the House. What are you going to do?

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

**MR. SPEAKER:** Order please.

**MR. F. JOHNSTON:** Mr. Speaker, I only ask the honourable members, what do you do if you can't come to an agreement? Do you have a clause that says you don't do anything? — (Interjection) — well after you've negotiated for three years and you can't come to an agreement, what are you going to do? And you haven't negotiated for three years.

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

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

**MR. F. JOHNSTON:** Mr. Speaker, let's talk about the risk. Mr. Speaker, the people of Manitoba were going to have the interest on \$500 million taken right off their back, but now the arrangement is that they're going to have that put on their back, and they're going to have another \$500 million added to it. The people of Manitoba will have to pay the interest on \$1 billion with this arrangement that we have at the present time. You know, Mr. Speaker, the people of Manitoba will have to find \$1 billion more with this arrangement. Now that's fact. That's fact.

They say that they are going to have a half interest in an aluminum plant. Now they're not going to share in the profits of overall Alcoa. They are going to share in the profits of one refinery, and will you tell me how long it will take to make that much profit? Will you tell

me how long it will take to pay back \$1 billion plus interest?

**MR. H. ENNS:** There's not a cent in it for Manitoba for the first 50 years.

**MR. F. JOHNSTON:** Mr. Speaker, \$1 billion. Now, Mr. Speaker, that's fact. Really, what happens?

You know, Mr. Speaker, when we were doing our negotiations, Mr. Rich, the President of Alcan, said right in our committee room over here with many of his executives - and members opposite, everybody in this Legislature, was invited, Sir, to sit down and ask him questions. He stated very clearly what their policy was. He said, our policy is to have a long-term arrangement for power, and we prefer to have an interest in the power plant. He told you all that. He didn't beat around the bush.

I would like to know, Mr. Speaker, and I'm sure my colleagues would like to know, did the Member for Transcona walk in and say, I want to give you half of the up-front cash to build a refinery? The largest corporation in the aluminum business in the world, did he walk in and say, you know, I want you to come here, but before you even think of coming, I want to give you half the money to build the refinery? It would be better if he said I want to loan it to you, but I'll tell you, he has said I want to give you that money and I want to find it from the taxpayers in Manitoba, and I want to have a half interest in it, and who's going to operate it. Who's going to operate it? They are, and what will happen when the cycle of aluminum sales go down and they decide that this refinery lays off before the ones in the States? Have you thought of all those things? No.

Mr. Speaker, I would like to ask the President of Alcoa, will he come to Manitoba without the up-front cash, which is close to being a grant. Mr. Speaker, I will tell you that is Manitoba's money up-front cash. Will you bring him here and have him come to the committee rooms, as we did with Mr. Rich, the President of Alcan, and let us ask him questions regarding the arrangements? We did. We did it. We had the President of IMC sitting in the gallery here when we made our announcements. They won't. Have we seen anybody from Northern Power? No.

Mr. Speaker, there was an agreement for the study to continue and an environment to be done and they had made an intention. They had picked a spot, they had taken options, they had done all of those things, and your Minister blew it the same as he blew the Power Grid. He went out, and on the Power Grid, Sir, and he said, I don't like the arrangements; the other provinces said, fine, we'll stop talking, and then Mr. Moncur of Saskatchewan Power said, in came the Minister of Energy from Manitoba and offered us the same arrangements as the previous government had offered us. And, we're supposed to trust this government! Mr. Speaker, we're supposed to trust this government!

Mr. Speaker, let's have the President of Alcoa come here and talk to the whole Legislature, as we did, and let's ask him, will they come to Manitoba if the government doesn't give them the up-front cash money? Let's ask him that. I'd like to ask him, if the

Minister walked in his office and said, I want you to come to Manitoba, and I want to give you half the price of that refinery, and I'll have to charge the interest to the people of Manitoba to pay it off. Mr. Speaker, when you add it all up, the arrangements that they have with Alcoa means that the government has to raise \$1 billion more than the arrangements we had with the Aluminum Company of Canada.

**MR. SPEAKER:** Order please. The honourable member's time has expired.

Order please. The Honourable Member for The Pas.

**MR. H. HARAPIAK:** Mr. Speaker, I am please to have an opportunity to . . .

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

**MR. SPEAKER:** Order please, order please. If members wish to conduct their own private debate, would they do so outside of the Chamber.

The Honourable Member for The Pas has the floor.

**MR. H. HARAPIAK:** Thank you, Mr. Speaker.

I am pleased to have an opportunity to participate in this Budget Debate, Mr. Speaker. My colleagues have made many comments about the merits of our Budgets over the last two years, and they've already stated how we felt, that we had to stimulate the economy during the time when we were heading into a recession. We did this knowing it would be raising the deficit of our province, and obviously we have a philosophical difference with the members of the opposition, because they feel that the only way the economy can recover is by utilizing the private sector. I think from the examples we have seen over the last couple years in Alberta, the only time the private sector will recover is when they receive much more priming than we have had to give the economy of Manitoba.

But now that the economy has started to recover, Mr. Speaker, we feel that it is time to reduce our deficit, because, as some of our members have mentioned previously, it does reduce our maneuverability and our ability to deliver some of the programs that are so necessary for the people of this province.

Mr. Speaker, the members opposite have heaped blame on this government for the predicament that the agricultural community is in at this time. I would like to make a few comments on why I feel, as most of my colleagues do, that the agricultural part of our economy is the most important part of our economy, because it does have a greater multiplying effect than any other sector in our economy.

I guess I feel quite strongly about the agricultural community, Mr. Speaker, because I was raised in a rural area on a farm, and in my youth, when I worked as a miner for International Nickel at Sudbury, Ontario, I also worked with many transplanted westerners who had one dream and that was that they could save enough money that they could someday go back to the farm. Well, Mr. Speaker, while I was working in the mine, one day I was working in a slope that caved in, and in this cave-in my light was knocked off my hat and I was trapped for several hours, so I had a lot of time to think about what I had accomplished in my life,

or what I had hoped to accomplish. I had made the decision at that time that I would go back to the farm. I went back to my home community and I found a piece of land that was available and after doing some research on what funds were available, I sought some professional advice from my brother, John, who is an agricultural engineer, and he told me at that time that I should borrow all the money that I possibly could from the Federal Farm Credit Corporation, which was my source of funding. I received some good professional advice, but at that time I was afraid of debt, so I only borrowed enough funds to get into the farm, to buy the land, and as a consequence I wasn't able to survive. I guess if I had a wish today, if I was asked what I would like to be doing for a living, I would choose farming.

I guess the nature of farming has changed dramatically over the last 10 or 15 years. Rather than just being an attractive, wholesome, healthy way of life, farming has become a very complex business. Most farmers today have a larger investment than most small businesses. Many have had to expand and buy more land and buy larger equipment and become more efficient in order to survive in this day of increasing prices and decreasing grain costs.

Farmers have also been a very progressive group and they've taken advantage of all the research that has been done in the field of herbicides and fertilizers, and they have also used new improved varieties of grains that are available to them. They have also taken advantage of all the programs that have been offered by the Department of Education, which has enabled them to improve their livestock. As you travel around the country, it's quite obvious that they have taken advantage of some of the expert advice that is available from the Department of Education. You can witness the improvement in the quality of the livestock all around the province.

In The Pas recently there was a program signed by the Pasquia Farming Association, or the Pasquia Agricultural Association, and the Province of Manitoba, for some further research into the area of finishing livestock on improved grasslands. I know that the results of this program will be very positive, because of the progressive farmers we have in the province and also in The Pas area, and also the expert advice that they are receiving from the Department of Education and the Department of Agriculture, and also their local ag rep, Bob Drysdale, who's also very helpful to the farmers in the area.

There are areas that the Provincial Government can and does help the farming community. The Beef Stabilization Program, which many of the opposition members said would not be utilized, has helped stabilize the beef industry and also helped stabilize the jobs that existed at the packing plants, and the Hog Stabilization Program has also had the same effect and has far greater participation from the farming community than the opposition had predicted would happen. Just recently there was an announcement made of some of the export sales that we have made to some of the foreign countries and I think the fruits of this program are just coming to bear at this time.

I believe that the greatest area the Provincial Government can be of assistance to the farming community is in the area of management. Because of

the need for efficiency in this industry, farm management courses are being offered by the Department of Agriculture. A willing heart and a strong back are not the only ingredients that are necessary in order to have a successful farming operation today.

Someone who pays the bills and keeps the books balanced can mean the difference between success and failure. This hasn't always been true, but in the last couple of years because of the recession and because of the small margin risk for profitability, it has recently come to the forefront. Balanced books have become an issue that make or break many farmers in this province.

There are some areas that provincial governments can help, but to help out all the farmers who are in financial trouble is beyond the scope of a provincial budget. I believe that the role of a province should be that of an advocate for the farmers of this province, and continue to press the Federal Government the way we did last week when we, with the co-operation of the opposition, passed a resolution which urged the Federal Government to release funds from the Grain Stabilization Fund. There is presently a pay out being contemplated of \$300 million, which will amount to about \$2,500 a farmer, up to a maximum of \$6,000.00. I'm sure this is going to be helpful to many of the farmers to survive, and I think that we should be continuing to urge the Federal Government for assistance that is beyond the scope of our Provincial Government as I mentioned earlier.

We can also continue to press for improvements in cost-shared programs such as the Crop Insurance Program. This program needs to be revitalized and looked at and made more efficient.

Mr. Speaker, I would also like to give credit to the Minister of Natural Resources, who has recently completed a study on the Polder III area of the Pasquia Valley, which showed that it was feasible to bring this parcel of land into production. There has been a need and a lot of urging from the farming community in The Pas area to expand the agricultural base and when we bring these additional 30,000 acres into production, it will have a positive effect in attracting some of the support services that are needed in the agricultural industry, support programs such as the equipment dealers and veterinarian services which are needed within the Pasquia Valley.

Mr. Speaker, there have also been a lot of members opposite who have been attacking the Jobs Fund. I really don't understand how they can argue with statistics. I know you can play a lot of games with statistics, but the statistics we see are that our population has increased by over 20,000 people over the last couple of years, and yet we have the lowest unemployment rate of any province in Canada. I don't understand how you can argue with figures like that.

The Jobs Fund has helped to stabilize existing jobs and also helped to create many new jobs throughout the province and there are many examples of it within my constituency. I would like to just make one small example of that, and that is the Jobs Fund participation in the forestry complex at Manfor. With money from the Jobs Fund, the lumber division of Manfor will reduce costs, increase efficiency and also increase production. They will also begin stress testing their product which proves that because of the characteristics of our slow-

growing forests, we have a product that is superior to other products that are on the market at this time.

The modernization of the pulp mill will also allow Manfor to produce a superior kraft paper which will allow them to recapture some of the market they have lost due to the recession. Their product, which has a strength which is superior to any other kraft paper in the kraft industry has been proven to be superior to any that is on the market at this time.

One of the greatest benefits of that project that is going on in The Pas right now is the co-operation that has gone on between the government, management and union people at the plant itself. By having two workers sit on the Board of Directors, the people who are employed in the plant and the people who realize the benefit of having the plant there, they have become very efficient and very interested in having this plant become a viable operation. The present Board of Directors and the other board members are becoming one of the most progressive boards in the Province of Manitoba and I'm sure that they are being watched by many of the organizations in the province because there are many that will be following the example that was started of having worker participation in the Board of Directors of Manfor. I'm sure there are many other corporations that will be following the example that we started there.

Mr. Speaker, I would also like to mention the reforestation agreement that was signed last March, for without reforestation, our forests would be depleted and this very important industry would be lost to us in this province. This government realizes the importance of keeping pace with the demands for our forest products and now has three greenhouses in operation at Clearwater Nursery. Eventually there will be 20 greenhouses in operation in the Clearwater Nursery, which will supply most of the nursery stock that is needed for replenishing all the forests that are being harvested in the northern part of our province. This agreement will create 300 permanent jobs and about 3,000 jobs during the planting and thinning season.

Mr. Speaker, being a member of the railroad and coming from a railroad distribution centre, I would be remiss if I did not mention the transportation agreement that was signed by the ERDA Agreement that was recently signed. This agreement, Mr. Speaker, will see an improvement in a rail bed, it will also see the dredging of the port which will allow larger ships to come in and therefore increase the capacity. In the same agreement we will also be bringing in hydro to this northern Port of Churchill.

Mr. Speaker, there are many people who have a vision of The Pas once again becoming a very important part in the transportation needs of all of Northern Manitoba. Several years ago, The Pas was a very busy terminal, and there are many people who can visualize that The Pas will once again start meeting all the transportation needs of Northern Manitoba. It will also take away some of the uneasiness that the people of Churchill have been living under during the last several years.

Mr. Speaker, I would also like to make a few comments about the recently signed Letter of Understanding between Alcoa and our government. Surely the members are not so blind they do not acknowledge the superior agreement that we have

signed compared to the giveaway that was signed with Alcan three years ago. Just recently there was a write-up in the paper which alludes to the secret agreement that was signed between a former member, Don Craik, and the Alcan President. According to that agreement, the government and Alcan had been unable to reach terms on water rentals at the end of the first 35-year period. Manitoba had to purchase at fair market value not only Alcan's share of the dam but also the company's smelter.

The Craik-Rich agreement provided if the company and the government could not agree on water rentals at the end of two years, after the exploration of a 35-year initial phase, the Manitoba Government shall have the right to acquire the minority interest in a power station at the then market value.

If the province and Alcan were still at odds at the end of three years, Alcan would offer to sell to the Government of Manitoba its undivided ownership in the power station and the smelter, and the government shall agree to purchase both assets at their then fair market value.

**A MEMBER:** How about the market value?

**MR. H. HARAPIAK:** The market value, I'm glad the member asked that, because if it costs us \$500 million to build that plant and at a 7.5 percent increase, after 35 years, the price of that smelter would be \$6.2 billion. — (Interjection) — \$6.2 billion. — (Interjection) — That's right.

Mr. Speaker, the Member for Fort Garry yesterday in his speech mentioned that our early founders, J.S. Woodsworth and Mr. Coldwell, must be turning over in their graves because of the direction of our government. I believe that one of the last Conservatives would envisage John Diefenbaker as probably the one turning over in his grave because of the lack of vision that the members opposite have at this time.

We are a government that is concerned with more than just the economy, although that is a priority. We are a government with a vision, a vision of a province which is a co-operative partner in a great country, a province that is concerned with the senior citizens, people who have earned their place in the sun and deserve some of the quality of life that they have worked for all their lives. We are concerned for the working men and women of this province and we are concerned for the unemployed. Their jobs are at this time being addressed, and some of the projects that are coming on stream, we'll be addressing most of these unemployment needs that exist. We are also concerned for our youth. We are addressing these needs. Our Minister of Education is having a forward-looking educational system that will meet their needs during the time of technological change.

Mr. Speaker, we have a Leader and have an administration that shared this vision and we know that we will deliver it to all Manitobans shortly.

Thank you.

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

**MRS. C. OLESON:** It's a privilege to rise this evening to enter into the Budget Debate on behalf of the

constituents of Gladstone. It's not a particularly inspiring Budget to speak on, but duty calls and who am I not to heed the call? There's a great deal of similarity between the Throne Speech and the Budget Address. There is similarity in their self-praising, self-serving tone; similarity in the fact that they told of past wonders and promised great things for tomorrow but very little for today.

The Minister of Finance took great pains to tell Manitobans that the economy has turned around and we are coming out of the depression. Many Manitobans, Mr. Speaker, look at one another in wonder when they hear this news, and news it is to many of them. They wonder when and where the turnaround took place and why they missed it. They haven't seen it yet, they see no difference in the economy. Goods are still expensive; jobs are alarmingly scarce; many farmers are losing their farms; prices for farm produce are low. Where oh where is the great turnaround? It is no comfort to those who are losing their farms.

I think perhaps the great turnaround is only evident to some select few in the Pawley Cabinet. The rank and file of the people in Manitoba fail to see this and are surprised that their government tells them that it's so. The reason is quite clear. This turnaround exists only in the minds of the NDP Government and wishing doesn't make it so. Wishing will not make this province's economy right again.

The Budget praises the people of Manitoba for their part in the economy of the province. The government mentions the people with some awe, as if they had just discovered that private citizens actually contribute to the economy, and actually invest their time and money in business and job creation on a day-to-day basis. Mr. Speaker, this compassionate government has discovered people. How clever of them!

We on this side have always known that people working together and singly are what makes this province tick and what makes the economy tick. It is no news to us that if people work together and cooperate great things can be done. It is not a recent invention of the current Premier or the current members of Cabinet.

I'd like to digress from the Budget for just a moment to discuss a matter which has caught the attention of many of the people in my constituency and I dare say most of the constituencies in the province and that is the subject of the new regulations pertaining to lotteries. Some months ago, the Minister in charge of Lotteries made it known that there were going to be changes in the way bingo games were to be run in the province. Thereafter followed a period of total confusion in which the senior citizens clubs, the service clubs and anyone else who runs bingo games in the province were subjected to announcement after announcement, announcement of deadlines, information on the use and purchase of bingo materials, later retractions of announcements, retractions of dates, retractions of time tables, retractions of regulations, information requested and not given, no clear answer. A confusing barrage of information and non-information given grudgingly and then changed, a litany of confusion.

On Friday, April 27th, after the Legislature had closed for the weekend, the Minister in charge of Lotteries held a press conference to announce changes to lotteries and gaming activities. His colleagues in other

departments rise from time to time and give so-called ministerial statements on this and that which would be better dealt with by Information Services, but not this Minister. He has a statement to make, so he makes it outside the House. In the statement he attempted to set out the proposed changes in gaming. I was especially interested in several statements he made in the press release and I quote: "During February and March, more than 100 informational meetings were held with organizations throughout the province." Well, what I have heard about those informational meetings, Mr. Speaker, they were held on short notice. People didn't have adequate time to make arrangements to get to them. The volunteers, you know, who run these organizations also work for a living. Some of them are teachers, bankers, and grocers; they are restaurant owners, they are nurses. They are working, they cannot at the whim of a government official show up miles away at a meeting to discuss something that is only a part of their life, not their total commitment. Therefore, many of these people missed out on the information given out, but not to worry. When they phoned the Lotteries Office they were told the deadlines and rules were not really set down yet anyway. So confusion still reigned.

The Minister is quoted in his press release as saying, "However, some misunderstanding of reasons for the changes still exist." No wonder there was misunderstanding, Mr. Speaker. There was no mention in this News Service Bulletin about licensing for bingo, no mention of that, so people will still be wondering about that. All this press release did was cause one to wonder what this Minister is talking about, what is he getting at? Why all this fuss and confusion over the subject of bingo? Why is this Minister antagonizing hundreds of service clubs, senior groups, community clubs, legions and others in the province who provide a social and fund-raising event in the many many communities of this province? Why cause these people needless anxiety and harassment? Why not set things down clearly and distinctly, state a set of rules and tell the people when and where you plan to implement them?

It strikes me that the Minister has really no idea what's going on in the small communities of Manitoba. If he were more aware, he would have had more sense than to muddle in this aspect of community life. Taken individually, these groups in their fund-raising activities, may not really press the Minister too much. Their memberships are small; their incomes and expenses are relatively small, but they contribute untold value to their communities providing social activity and a chance for fellowship while raising funds for their particular clubs. These funds in turn contribute to the maintenance of community halls, recreation centres. They pay for scholarships, they pay for emergency equipment in communities and enhance the life in the communities. The list is endless of the things that these community clubs do in the various communities across the province.

I have, in a file, some information sent to me by some of the groups in the constituency. They sent me the information along with a request to draw this subject to the attention of the government in hopes that maybe they would get some clarity and be able to find out exactly what's going on. All of them, I would probably

say, are quite anxious to obey rules and regulations if they only knew what they were and when they're supposed to come into force.

I have one from a senior citizens' club, one of them in my constituency, which talks about the funds they raise and the expenses they have in their club. They talk about their membership of 76 people who paid \$12 each to belong to the club and their hydro bill per year is more than their membership. They raise money by bingo games. They donate \$100 per year to each of the following things: the Ability Fund, the Heart Fund, Red Cross and Collegiate Band. Now that's just one example of a small club and what they do for their community.

They have included a petition asking the government to clarify this situation and to protest the new laws pertaining to bingo. Now these laws may not even apply to them after the Minister's statement, but I'm sure they still don't know whether they do or not. So I would like to table that little petition so that the Minister might have access to it in case he didn't get a copy.

I also heard from the Kinsmen Clubs in my constituency along the same line. I heard from other legions. There are clippings in newspapers from legions talking about similar things, from a community club in another town and they list all the various things that they contribute to over the years. They contribute money to build parks, to renovate halls, to personal care homes, for added things for seniors in those personal care homes. In one case they have built a ramp so that some of their disabled people can get into their hall. All these things are of great importance to these communities and changes such as the Minister was talking about when he first started talking about this would seriously erode a great many of the works that these people do.

Another group talks about donating \$2,000 to a personal care home and contributing every year to the Peace Gardens for a student to go to the Peace Gardens for a summer camp. All these things are important and necessary to every community and they're part of the life of the small communities. Perhaps the Minister has never lived in a small community and doesn't understand that. Perhaps he could talk to some of his colleagues in the Cabinet and in the Legislature that have lived in small areas and they will lead him to understand a little more about this.

Now to sum that up, Mr. Speaker, I would just say that all this controversy and confusion that has taken place over rule changes has been unfortunate for the small communities. I've heard of several groups that have decided not to hold their regular bingos because their volunteers really don't want to get into all this hassle and all this paper work. There are many shut-ins, senior citizens and others who will lose out because of this and because of the way the matter has been handled. It's not over yet.

The press release put out by the Minister has raised more questions than answers. We still do not know exactly what is going on. This needless controversy has caused a great deal of anguish in those community clubs and it need never have happened. — (Interjection) — The Member for Dauphin keeps shouting that it's not going to affect them. Well, the Minister could probably have said that in the very first instant and saved them all this hassle and all this grief, in writing

of petitions and it's become a big issue where it needed to have been nothing.

Well, there's another thing, handicapped transit is something that some of these community things help with too.

Another thing I would like to mention, Mr. Speaker, is the Jobs Fund. The Jobs Fund, which was mentioned so many many many times in the Throne Speech and in the Budget Speech and stressed as if it's the be-all and end-all of everything in the province, it's going to bring us completely up to the top of the mark.

Now the Budget Address stressed that the Jobs Fund will now focus on long-term jobs. Well, with this in mind, I phoned the office of the Jobs Fund the other day requesting assistance for a constituent who is building a new addition to his business in the form of a convenience store which will be attached to a service station. Now the convenience store in itself is a new business; the other one has been in existence but it is added on to the same building and he'll be hiring from four to six new people permanent staff and he will be investing \$100,000 in the building, so this is no small item. Now I was told that the Jobs Fund money is only available for existing businesses which are adding staff, not for new businesses which will hire people and then may not continue.

Well, Mr. Speaker, what sort of game is this? The businessman himself tried to talk to various departments. He inquired directly on his own to see if he could get funds and he eventually phoned me back - I had directed him to the Brandon Development Office - so I said, "Well, who have you phoned?" sort of in trying to find out just where all he'd been so we wouldn't cover the same ground, and he said he thought probably he phoned every government department and one had referred him to another and another had referred him to another until he was completely fed up. Of course, all this was on long distance at his expense, which is probably another indication of what the problems are. The government has fragmented the Jobs Fund into so many departments that the average citizen is handicapped in trying to even find out any information about it. He phones one and they tell him to phone another one. He gets the feeling that he has completely gotten the runaround.

He no doubt has heard, as many Manitobans have, all the ads advertising the Jobs Fund. He has seen the big billboards and he has read the advertising. He probably read excerpts of the Throne Speech saying that the Jobs Fund was supposed to focus on long-term jobs and it was supposed to be the marvel of the economy. Well, he's beginning to wonder and he's getting pretty disgusted.

It sounds unbelievable when you read in the report on the Jobs Funds, on Page 8, and I quote, under the heading of Small Business, it says, "Support to offset current deficiencies and encourage growth in capital investment and in employment opportunities, both in traditional and non-traditional business ventures." Well, that pretty well covers that fellow and he isn't able to get help.

In the statement made by the Minister of Employment Services and Economic Security, he says that this particular program - and this is in regard to Careerstart, by the way, so it's done with the Jobs Fund too - achieves two of Manitoba Jobs Fund primary objectives,

support for the growth of the province's business sector and support for the career development of our young people. There again what are we to believe when we hear and read these things and then people have such a great deal of difficulty in getting funds? It makes people wonder and people are led into false hopes by all the advertising, all the hoo-hah, shall we say, from this government on how wonderful the Jobs Fund is and how many jobs it's creating. It certainly doesn't encourage the people that don't have jobs, they're wondering how did we miss out, what are we doing wrong that the government is telling us about all these wonderful jobs available - for instance, an employer can't hire anybody and the people can't get jobs.

My constituent will be most interested to read announcements like that in the paper in the future, and will just shrug his shoulders and say, well, a nice story but when is it going to happen?

This government praises and congratulates itself on the invention of the Jobs Fund. They've built it up to be the saviour of the province. They have advertised it at vast expense to the point that people are being told that it's the answer to all their problems. Well, they are soon finding out that it isn't. It's rather confusing and amazing to people when they try to take advantage of things like this, and they find out that they don't qualify and they can't find out anyone who does qualify.

We question the Minister. We ask questions about this, and we seem to get evasive answers. We're not ever really quite sure who is qualifying, and how they are qualifying. It is also exasperating to be shuffled from department to department, trying to find out about help with any business venture — (Interjection) — well, we discussed Careerstart.

Careerstart is a similar disaster, and we're wondering if the Minister intends to allow people that did not qualify for the Careerstart under the first essence if they will be allowed to reapply, if their applications will be looked at, or what's going to happen. All we see in this department is total confusion.

For this reason then and for many others covered by my colleagues during the course of debate on the Budget Speech, I cannot support the Budget. I will be supporting the motion made by my Leader.

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

**HON. V. SCHROEDER:** I have taken a good deal of interest in the debate that has been going on here in the last week.

During the Throne Speech Debate, I had an opportunity to . . .

**MR. H. ENNS:** Mr. Speaker, on a point of order.

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

**MR. H. ENNS:** It's merely a matter of concern, some House business. I wonder if the Minister of Finance would indicate whether he intends to use his privilege to speak for an extended period of time beyond the 40 minutes.

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

**HON. V. SCHROEDER:** Mr. Speaker, that will depend on how long the speech takes, how much reaction there is.

**MR. H. ENNS:** I just asked a simple question.

**HON. V. SCHROEDER:** I am saying that it may well be that I will use some extra time.

Mr. Speaker, during the Throne Speech Debate, I had the opportunity to go back down memory lane, as I said, and refer to some of the speeches that had been made by members in this Legislature a year ago. I indicated that, of course, the Budget will deal with next year, and I would now like to deal a little bit with what was said here during this Budget Debate, but also reference back to last year and point out to members some of the areas where they have forgotten to look back at what they were saying and thinking a year ago. You've ignored it.

The Member for Fort Garry, I want to deal to great length with his speech from last year. Everybody knows and likes the Member for Fort Garry. He is a nice fellow, a decent person to meet across the aisle and socially. Last year, he took some time, and I think he did a very good job, of explaining to us why it was that he did not like our budgetary policies, why he did not like where we were going, what was going to happen as a result.

He said, "What the opposition has been saying and what the critics outside this Legislature have been saying is that the document itself misses, and misses by a country mile, the basic things wrong with Manitoba at the present time and in fact exacerbates and intensifies our economic difficulties. It will, as Professor McCallum says, tend to drive more jobs out of the province, tend to export jobs and job opportunities, tend to make Manitoba less attractive to investors and to those who create jobs and job opportunities for our people."

He then went on to directly quote John McCallum. "Every year that the government postpones service cutbacks and encourages false expectations, it exponentially increases the pain of adjustment when it comes." That is, if we didn't cut back last year, somehow things are going to get a lot worse next year or the year after.

He went on himself then. This is the way the Member for Fort Garry put it. "Rather than bringing expectations into line, rather than confronting Manitobans with realities, rather than encouraging Manitobans to bite the bullet, as it were, it is a weak and timid and unrealistic approach that in fact reinforces expectations."

He then goes on in the next page, "They are living in some kind of abstract dream world in which they think Manitobans can be shielded from the conditions of the day and can be lulled into a false sense of security and safety by the contrived safety nets that the Minister of Finance and his colleagues are trying to construct in our economy at the present time."

He continues further on, and he says, "If they would be prepared to face the realities of the day and ask Manitobans to join the fight with the rest of Canadians, then I think, Sir, that we still could recover in reasonable time from the difficulties that we face. But if we continue

to try to pretend that the difficulties aren't there and that Manitoba can get out of it some other way, then we're headed, Sir, for a long long difficult and disastrous period in our history.

"I have to say, Mr. Speaker, that a major personal disappointment for me as a Manitoban exists in the fact that I feel that I can take no sense of pride in the efforts that are being made across this country toward national economic recovery."

Now get this! He continues, "Others of my countrymen all across this land, from British Columbia to Newfoundland, are engaged in battle at the present time, Mr. Speaker. Our war is the war against recession. Our war is the war against potential fiscal disaster, the war against possible economic collapse. All our fellow Canadians in all other provinces of our country have joined to fight in this war, but not Manitobans." That's what he was saying a year ago.

He also said, and this was part of his solution, just to make it very very clear that what he was talking about was at least as much taxation as we had and cutbacks in spending. That's what he was saying last year we should do, and that would be the remedy to improve job performance so that we would be No. 1 in the country presumably - although he certainly didn't predict that, we are. But he said, he put it this way, "What is the point of offering positive constructive suggestions when they are so blinded by their own commitment to their own course of ideology and action that they won't listen? The biggest, most productive, most positive step they could take, Mr. Speaker, would be to eliminate the payroll tax. The gutsiest, most courageous thing they could have done would have been to have bitten the bullet a year ago to have increased the sales tax by at least two points, to have reduced spending everywhere they could instead of going into 25 and 26 and 27 percent increases in spending . . . and to have avoided anything as onerous and as foolish as the payroll tax." That's what he said.

What he said was, let's increase the sales tax, let's cut down on spending, let's make sure that we have a deficit that is lower than what we had last year. That's what they were saying.

The Member for Tuxedo said last year - I don't have the quote right here, but what he said was that there is a recovery coming. It is coming to all North America, but it will not come to Manitoba because of the policies of this government. That's what he said.

The Member for Pembina said, and I do think I have his quote here, he said, "What incentive is there for anybody to move to this province with this government at the reins of power?" Mr. Speaker, I suggest none. Therein lies the true tragedy of this Budget. Okay, he defined the tragedy of this Budget on the proposition that nobody would come to this province, that was his definition. Well, Mr. Speaker, you've heard speaker after speaker discussing what's been happening in this province in the last year. You've heard about the population increases. You know, Mr. Speaker, as evidenced by the material presented to you and to the House over the last little while that indeed our population has risen significantly in the last year.

We've all seen this chart which shows that on January 1, 1978, there were 1,030,200 residents in this province. It was down by about 100,000 on January 1, 1982. That is during the four years of the Tories there was

a decrease in population in this province and there was an increase from that point up to the first approximately 100,000 people. — (Interjection) — I wasn't saying one-tenth of the population. You want to talk about one-tenth of the population, let's get at some of the numbers that you fun leader came forward with in his speech in reply to the Budget and he got up and said, "Oh, they got a one-tenth of one percent increase in population. They're blowing their horn all over the place, one-tenth of one percent in population in each of the last two years."

He should possibly spend some time on research or get somebody to do some research for him because in fact the increase in population has been almost exactly two percent over the last two years, two percent instead of two-tenths of one percent, but that's just one of the little examples of a leadership in a party that I would suggest should be looking for a new name. We had the Member for Fort Garry suggesting to us that somehow we were going against our principles which is a pile of rubbish, but there is a party that has presented nothing in terms of alternatives this year.

Last year, the Member for Fort Garry to his credit at least had an alternative. I think it would have been wrong. I think that if we would have gone with his proposal, had a decrease in the deficit, had a decrease in spending, that we would have been far worse off at this stage. We would have been probably more like some of the other provinces, we wouldn't have moved from third lowest in unemployment to lowest in unemployment at a time when our population increased significantly above the national average. I believe that. I believe that maybe our deficit situation would have again worsened during the year as it did in the Province of Saskatchewan, as it did in the Province of New Brunswick, as it did in the Province of Quebec, as it did in the Province of Ontario, so on. In those provinces, the deficit worsened during the year, where they were into that kind of restraint mode. They found that things go worse. That is contrary to what Professor McCallum was saying was the reason why our deficit had dropped. He said, well it's happening across the country. That's not a fact, it's simply not a fact that it's happening across the country. It's happening in selected areas. Manitoba, fortunately, is one of them and we're quite happy that it's there, but I think people should recognize the facts for what they are.

**A MEMBER:** What about Prince Edward Island?

**HON. V. SCHROEDER:** Well Prince Edward Island didn't come in with a forecast change. In fact, their Budget for 1983-84, the last I have and I don't have a date on this, but it would have probably been around the first or second week of April. They were showing 18.2 million as a deficit and we didn't see a revision. If PEI has moved it down to 200,000 or by 200,000, that's great. — (Interjection) — Well, it's too bad then, Mr. Speaker, that Quebec for instance has gone up by far more than PEI went down. Ontario went down considerably and so on.

Mr. Speaker, the point is they were wrong last year, but they are not prepared to admit it. They were completely wrong. The Member for Charleswood was talking about making this an economic wasteland. Did

he believe for a minute that he would be in this House at this time talking about a budget when we were No. 1 in terms of employment in the country, in terms of the percentage of our people employed compared to other parts of the country? No way. He didn't believe that and neither did the Member for Fort Garry. They believed they were right and that's fair. But they were wrong and I think that now they should be admitting that they were wrong.

The Member for Lakeside talked last year about percentages of the government spending devoted to interest costs, and I know he was quite sincere about that. He was making some predictions for next year that he now knows are wrong. I didn't hear him talk about that during the Budget Debate.

There were just a whole host of areas where those people were wrong and I was surprised that they didn't stand up during the course of this debate and say, "Hey, you guys were right last year." I'm surprised that they wouldn't have done that, but that's the way they are.

Mr. Speaker, getting into this year's Budget, there was a criticism from the opposite side that somehow the Budget was a political document. Now you know, we're all grown people here. We know that this whole process is a political process and any budgetary document will be a political document, but some of the people on that side suggested that somehow it was improper to refer to the opposition or criticize the opposition or anything like that.

You know, the Leader of the Opposition - certainly I don't think the Member for Turtle Mountain said that, I would hope not, because I've got his Budget from 1981. If he said that was a political document, well, my goodness, Page 8 of his document and I want to quote a bit: "The New Democratic Party Government responded with efforts to buy its way out of difficulties through a variety of make-work programs with massive investments of taxpayers' money into failing business enterprises." He goes on, "That government continued to add to a tax structure which had already become of the most burdensome in Canada. That government borrows. The budgetary accounting system employed at that time obscured the real bottom line. The Government of the Day seemed more concerned with the degree to which it could intervene in the agricultural sector and focused what it called an agricultural policy on land ownership. It talks about misguided efforts to foist a government controlled marketing system on Manitoba beef producers."

Those were the kind of things that people from that side were saying when they were in office about the previous government, the Schreyer Government, and when we point out a few of the little problems that they got into, they say that's politics. We shouldn't talk about the fact that the population decreased while they made

this province an economic wasteland in their four years. We shouldn't talk about the fact that we had terrible statistics in terms of housing, in terms of practically any economic indicator and I would refer those members to some of the material the Member for Brandon East has so frequently prepared on those issues and he does that so much better than I do, but there are so many areas where they had really blown it. But if we start talking about that in a Budget Speech, they say, well that's political.

My goodness, I heard one member who has been here for decades say, I never heard a political document like that in a Budget. What a pile of rubbish, Mr. Speaker. What total rubbish!

Now, Mr. Speaker, as I said, the Leader of the Opposition stated this year that our government is "spending in excess of the kinds of levels that were being put forward in Budgets throughout this country by every Provincial Government and even the Federal Government." That is simply — (Interjection) — I'm sorry, the kinds of levels, not increases. That statement is simply not consistent with the facts.

For 1983-84, according to the Conference Board of Canada analysis of provincial Budgets, Manitoba's budgeted spending was \$3,018 per capita. Saskatchewan's — (Interjection) — Mr. Speaker, I can't help what the Leader of the Opposition says. When he tells this House that our spending is above the levels of other Houses in this country, I am going to tell you that he is wrong, that it is a factual inaccuracy. That is just one of about a dozen that he made in his speech. If you don't want me to talk about him, you tell him to stop making such stupid statements.

Saskatchewan, as compared to our \$3,018, budgeted \$3,070 per capita. Is that lower than Manitoba's? Of course not! How about Alberta? \$4,130 per person. Is that lower than Manitoba? You were wrong again, just as you were wrong in trying to castigate the former employee of the Department of Labour, just as you were wrong when you stood up the other day and said that no member of your caucus had ever said anything about a 2 percent sales increase, just as you were wrong when you said that . . .

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

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

**HON. V. SCHROEDER:** . . . Professor McCallum is not a member of your party.

**MR. SPEAKER:** Order please, order please. The debate will stand in the name of the Honourable Minister.

The time being 10:00, adjournment time, this House is adjourned and will stand adjourned until 10:00 a.m. tomorrow (Friday).