

## LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 3 June, 1986.

Time — 2:00 p.m.

### OPENING PRAYER by Madam Speaker.

**MADAM SPEAKER, Hon. M. Phillips:** Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Special and Standing Committees . . .

### MINISTERIAL STATEMENTS AND TABLING OF REPORTS

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

**HON. H. PAWLEY:** Madam Speaker, I would like to report to the Legislature the results of last evening's meeting of First Ministers on trade matters.

There was a consensus among the First Ministers that provincial participation, especially at the political level, was essential to the success of the trade negotiations with the United States. To effect this participation, we agreed on the following measures:

There will be a regular First Ministers' meeting on trade every three months, or sooner if the need arises, to monitor negotiations, review progress and set directions.

Trade Ministers will meet regularly, chaired by the Right Honourable Joe Clark, to review negotiation issues in detail and to ensure provincial input.

The continuing committee of trade officials will be maintained and will receive full pre and post negotiation briefings.

There will be full sharing of information with the provinces on the negotiations on a strictly confidential basis.

This formalized system of provincial consultation and input is a significant step forward. It replaces the more ad hoc input which has occurred to date and provides the opportunity for regular provincial input at the political level.

We would have preferred an agreement which included a provincial representative in the negotiation room to ensure that there was a presence — monitoring discussions with Manitoba's interests foremost in mind. In our view, this would have allowed for more expeditious feedback to the negotiating team of provincial concerns and would facilitate communications with the provinces. This was not agreed to at this time. First Ministers will review the negotiation process in three months. If problems develop, we may again consider this approach.

There was agreement among the First Ministers that provinces should be formally involved in ratifying a new trade agreement resulting from these negotiations.

In our view, this is a very important recognition of the provincial role in making a trade agreement work. We welcome the Prime Minister's commitment on this matter.

Details of the ratification process will have to be worked out among the Trade Ministers and finalized by the First Ministers over the next number of months.

In recognition that matters involving provincial jurisdiction will arise during the negotiations, the Prime Minister undertook a solemn commitment that there will be full discussion and provincial concurrence before negotiations involving provincial jurisdictions are finalized. In our view, this is critical to a successful agreement, as the provinces must implement such provisions.

First Ministers discussed the mandate to be given to the negotiating team. There was general agreement on the broad parameters of the mandate. Time did not permit on all particulars.

At the request of the Prime Minister, we have agreed to maintain the specifics of the negotiating mandate in confidence.

The mandate will be reviewed and refined regularly by the Trade Ministers and the First Ministers as the negotiations proceed.

In these discussions, I will continue to advance Manitoba's interests, including our concerns that: social programs not be altered; cultural sovereignty be protected; regional development be promoted and strengthened; agricultural marketing and stabilization programs be maintained and our food processing industries be appropriately protected; and the future of service industries, such as transportation, be assured.

**MADAM SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Thank you, Madam Speaker.

I thank the Premier for giving us that update on the proceedings with respect to free trade negotiations between Canada and the United States. I am glad to be informed of the provincial involvement that has been set out as a result of the meeting last evening in Ottawa.

We're glad as well, Madam Speaker, that the Premier's backbone was stiffened prior to the meetings by his meetings with the western Premiers in Swan River, so that now we know that he's back on track with respect to a commitment towards free trade negotiations.

We appreciate the process that has been set forth, particularly with respect to ratification of any agreement, and the acknowledgement of provincial jurisdiction in these discussions leading to the ultimate resolution of the negotiations. I thank the Premier for giving us this summary of what has transpired, and look forward to continuing reports as the process continues.

Thank you.

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

### INTRODUCTION OF GUESTS

**MADAM SPEAKER:** Before we move to Oral Questions, may I direct the attention of honourable members to the gallery, where we have 108 students in Grade 9 from St. Mary's Academy. These students are under

the direction of Mrs. Maria Couture, and the school is located in the constituency of the Honourable Member for River Heights.

We have 35 students in Grade 11 from the Ashern Central School and these students are under the direction of Mr. Moroz. This school is located in the constituency of the Honourable Minister of Agriculture.

We have 12 students from Grades from 9 to 12 from the Morweena Mennonite Christian School, and these students are under the direction of Mr. Tim Reimer. This school is located in the constituency of the Honourable Minister of Agriculture.

We have 23 students from Grade 5 from the Robert H. Smith School, and they are under the direction of Miss Kulpak. This school is located in the constituency of the Honourable First Minister.

On behalf of all the members, may I welcome you to the Legislature this afternoon.

## ORAL QUESTIONS

### Free trade - Tabling of studies and reports

**MADAM SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Thank you, Madam Speaker. My question for the Premier is, I wonder if he would agree to — I believe I've asked this question before — table any reports or studies that have been done on behalf of the Government of Manitoba with respect to the topic of free trade.

In saying that, I will just indicate that he has previously referred to a report that was done by Professor Clarence Barber, a report which we have obtained from the Legislative Library, and I wonder if there are any other reports or studies done on behalf of the government that he might table.

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

**HON. H. PAWLEY:** Madam Speaker, I believe that is the statement that had been prepared or papers that had been prepared. I would take that as notice to ensure that all papers have been included.

Also, the Manitoba position on international and interprovincial trade has also been filed in the library and I assume that the Leader of the Opposition has a copy of that.

### Free trade - position papers

**MR. G. FILMON:** Did the Government of Manitoba put forward a position paper at the Western Premiers' Conference in Swan River last week or in Ottawa last evening?

**HON. H. PAWLEY:** Madam Speaker, the position that was taken in Swan River was one which was verbal in nature. It dealt with the question of process and not the substance of free trade and, likewise last night, my positions were verbal in nature but consistent with the positions that are outlined in the document that the Leader of the Opposition has brought to have access to.

**MR. G. FILMON:** Is the Premier saying that document to which he's referring has been tabled in the Legislature?

**HON. H. PAWLEY:** Madam Speaker, this document contains a statement that was given by myself to the Annual Conference of First Ministers in Halifax, at which meeting the Leader of the Opposition was in attendance.

If the Leader of the Opposition doesn't have a copy of the Manitoba position in respect to international trade, I will ensure that one is forwarded to him.

**MR. G. FILMON:** Madam Speaker, so the only two documents that this government has put out publicly is the position paper that was put forth in Halifax — and the Manitoba Government position has not altered since that point in time — and the Clarence Barber Report that was produced last fall. Are there any other documents or position papers that the Government of Manitoba has on its position on free trade?

**HON. H. PAWLEY:** Madam Speaker, there are two other reports. If they have not already filed in the library, I'll see to it that they are filed in the library immediately.

**MR. G. FILMON:** Madam Speaker, I don't mean to be critical of the Premier on this matter but, for instance, the Clarence Barber Report to my knowledge was not distributed to members of the Legislature. We only found out that it was in the library through questioning of the Premier. I wonder if he would undertake to provide for us any reports and studies that have been done for the Government of Manitoba leading to its position on free trade and any position papers that it has with respect to the Manitoba position on free trade.

**HON. H. PAWLEY:** Madam Speaker, as I indicated in respect to the first question of the Leader of the Opposition, I will check as to what studies have been filed in the library, what other studies there may be that would be of assistance to the Leader of the Opposition and would be of public interest to provide.

**MR. G. FILMON:** Madam Speaker, I'm aware that the Federal Government has 2,000 pages of studies and background briefings on free trade. I didn't quite catch what the Premier said. Did he agree to share all of the information that the Government of Manitoba has had in the way of studies and position papers?

**HON. H. PAWLEY:** I thought I had indicated yes.

### High school program - Review committee

**MADAM SPEAKER:** The Honourable Member for Roblin-Russell.

**MR. L. DERKACH:** Thank you, Madam Speaker. My question is to the Minister of Education.

In February of this year, Madam Speaker, the former Minister of Education made an announcement with regard to the formation of a review committee or panel to examine programs in high schools in Manitoba. In

view of the fact the commitment was made by the former Minister of Education that the review panel would meet in April of this year, could the Minister of Education tell the House what progress has been made by this committee to date?

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

**HON. J. STORIE:** Madam Speaker, I believe the member opposite knows that there have been some events in the intervening months which have slowed down the process somewhat. But I do want to confirm, Madam Speaker, that a high school review committee will be in operation in very short order, and that it will commence its review of the high school curriculum and the operation of our high schools in the Province of Manitoba. I can't give you a specific date as we have a number of groups who have indicated an interest in being a part of that process and I think I can understand that. It's an important process, but it will be some weeks before a committee is finally established. But the process is under way and the commitment is still there to follow up and deal with that review in a very thorough way.

**MR. L. DERKACH:** Can the Minister tell the House, Madam Speaker, if in fact the consultation papers, which the former Minister of Education promised the people of Manitoba, will be ready for public release in October as was promised?

**HON. J. STORIE:** Madam Speaker, given that we're some two months late in commencing the review, that is unlikely. I would suggest that a more reasonable time frame may be the end of December of this year for a paper to be in its preliminary stages. Madam Speaker, we're talking about a system that is extremely important, not only to students who are currently in our high school system, but future generations.

I wouldn't want to commit the committee to coming forward with the report before they had both time to consider input from the individuals and groups in the province who have an interest in education and until they have had time as a committee to prepare a report that is understandable and gives a sense of direction to the people of Manitoba with respect to high school education.

**MR. L. DERKACH:** Madam Speaker, may I ask the Minister then, is he anticipating a change in the terms of reference that have been set up for this review panel?

**MADAM SPEAKER:** The Honourable Minister of Education with a brief answer.

**HON. J. STORIE:** Yes, Madam Speaker, the terms of reference may be somewhat different than originally anticipated, not substantially different. The fundamental goal of a review of the high school system is relatively self-explanatory. That will be the goal. The difficulty comes in the competing interests in high school education. I wouldn't want to establish a review committee whose mandate was so broad, so all-inclusive that the report would be lacking any sense

of direction. I think we have to focus on a number of issues and those issues will be defined by meetings with the various groups and internal discussion amongst the different divisions in the Department of Education.

### Headingley Jail staff cuts

**MADAM SPEAKER:** The Honourable Member for Rhineland.

**MR. A. BROWN:** Thank you, Madam Speaker. My question is to the Minister of Corrections.

Can the Minister confirm that the Manitoba Government Employees' Association is paying for two guards at Headingley in order to bring that complement up to 21 during the night shift, rather than the 19 which she has recommended.

**MADAM SPEAKER:** The Honourable Minister of Community Services.

**HON. M. SMITH:** Madam Speaker, the complement of staff at Headingley is in a state of negotiation between the MGEA and the government. It was agreed, because the concern was a Workplace Health and Safety concern, that while the issue had been referred to them for mediation, that the MGEA would in fact cover for two staff until that issue is resolved.

**MR. A. BROWN:** The MGEA says that these two extra guards are necessary for safety reasons and the guards at Headingley feel very strongly about this. How is the Minister going to resolve this situation when we know very well that 19 guards and so on, looking after 350 inmates, is hardly adequate?

**HON. M. SMITH:** Madam Speaker, there are criteria for how many guards are required and these criteria are looked at from time to time during negotiation because it is in the interests of the department to see that we get adequate coverage within a well-managed budget, and it is in the interests of the guards to see that they can do their job properly. I think it is being negotiated by the appropriate groups and I anticipate a recommendation, a decision on it by mid-June.

### Free trade - position papers

**MADAM SPEAKER:** The Honourable the First Minister.

**HON. H. PAWLEY:** Madam Speaker, I had understood a few moments ago, if we could revert back to the question from the Leader of the Opposition that he had the Barber Report from the library. I have a copy of the Barber Report; attached thereto are the other two studies which I made reference to, the Watson Report and the Duncan Wasney Report. If that is not part of the Leader of the Opposition's report, I would ask that this be forwarded to the Leader of the Opposition. That covers all three studies that have been done. — (Interjection) — Well, it may be that he only has the Barber Report from the library. I don't know.

**MADAM SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Madam Speaker, I thank the Premier for giving me that information. It's all part of the report that's in the library.

### Telephone exchanges - Springfield constituency

**MADAM SPEAKER:** The Honourable Member for Springfield.

**MR. G. ROCH:** Thank you, Madam Speaker. My question is to the Minister responsible for the Manitoba Telephone System.

Given the fact that the vast majority of the people on the main Dugald exchange and its sub-exchanges of Oakbank, Hazelridge, Anola and Lorette work and/or do most of their business in Winnipeg, much if not most of it by telephone, and the Minister being a resident of the Dugald area is well aware of this; and given the fact that many people living in some of the forementioned communities are on the Winnipeg telephone exchange, therefore my question is how soon can the people of the Dugald exchange and its sub-exchanges of Oakbank, Hazelridge, Anola and Lorette expect to become a part of the Winnipeg exchange?

**MADAM SPEAKER:** The Honourable Minister of Labour.

**HON. A. MACKLING:** Madam Speaker, the former Member for Springfield had made vigorous representations to me, as Minister responsible for the telephones.

As a result of his representations . . .

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

**MADAM SPEAKER:** Order please.

**HON. A. MACKLING:** . . . a meeting was held with the directors of the Telephone System and an announcement was made that there would be a study by the Telephone System of options to consider in respect to improvement of telephone service for Manitobans generally, and that work is under consideration by the board at the present time.

**MR. G. ROCH:** That really doesn't answer the question I asked. I said, how soon can we expect it?

**MADAM SPEAKER:** Order please. The honourable member has not the right to demand an answer. The answer does not have to be satisfactory. Would you like to rephrase your question?

The Honourable Member for Springfield.

**MR. G. ROCH:** I have another question, a new question to the same Minister.

Can the Minister assure this House and those people outside Winnipeg who currently have or have had Winnipeg telephones, especially those who some 20 years ago or more paid \$1500 and up, in some cases, plus very high monthly rates over the years and who were promised in writing by MTS that they would retain those telephones as long as they remained resident-owners at their current addresses, can the Minister assure them that MTS will honour its commitment and at a reasonable rate?

**HON. A. MACKLING:** Madam Speaker, for the edification of the honourable member, the former Member for Springfield expressed concerns in respect to the needs of not only his constituents in the R.M. of Springfield, but evidenced a concern about the needs for telephone subscribers throughout the province; and a consideration of those issues will be taken by the board and by this government and announcements will be made in due course.

**MR. G. ROCH:** Those commitments were made in writing. Why is the Minister . . .

**MADAM SPEAKER:** Order please. Does the honourable member have a question?

**MR. G. ROCH:** Yes, I do, Madam Speaker.

**MADAM SPEAKER:** Question period is not a time for debate.

The Honourable Member for Springfield with a question.

**MR. G. ROCH:** Will the Minister be defending MTS' blatant breaking of those written commitments, or will he be requiring them to honour their commitment?

**HON. A. MACKLING:** Madam Speaker, the honourable members opposite know that the Manitoba Telephone System has been in operation in this province for many years and operates on the basis of providing effective and fair telephone service to all residents in this province. If the honourable member has any specific about any alleged wrongdoing, then he should furnish it to me, and I will inquire from the Telephone System if there is any substance to his rumour.

### Tilstion School - closing of

**MADAM SPEAKER:** The Honourable Member for River Heights.

**MRS. S. CARSTAIRS:** Thank you, Madam Speaker. My question is to the Minister of Education.

Tilstion School, a K-6 school, is the only school in the Albert Municipality and is in danger of being closed by a decision of the division, the Antler School Division, on June 19, 1986. Has the Minister had any consultations with the Antler School Division?

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

**HON. J. STORIE:** No, Madam Speaker. I have not had any discussion with the Antler River School Division.

**MRS. S. CARSTAIRS:** A supplementary question, Madam Speaker.

Would the Minister, in light of the quickness of this decision, undertake to have such discussions?

**HON. J. STORIE:** Madam Speaker, to my knowledge, neither the school division nor anyone else within the school division has requested the involvement of the Department of Education. In keeping with, I think the

fundamental principle that school divisions conduct their own affairs in a manner which is in keeping with the interests of their constituent groups, I would be somewhat hesitant to interfere. I'm assuming that Antler River has approached this particular problem, and I acknowledge that whenever you're about closing a school, it is a problem in the best manner that they can. I would certainly not want to interfere in their deliberations on that matter. If, on the other hand, a group wished to meet with me on that matter, I would certainly not be opposed to that, although recognizing their legitimate authority in those matters.

**MADAM SPEAKER:** On a supplementary, the Honourable Member for River Heights.

**MRS. S. CARSTAIRS:** Thank you, Madam Speaker. Is the Minister not concerned that because of the increased . . .

**MADAM SPEAKER:** Order please. Whether or not a Minister is concerned about something is not an appropriate question.

Would you like to rephrase your question?

#### **School divisions - increasing of taxes**

**MRS. S. CARSTAIRS:** Thank you, Madam Speaker. Would the Minister not accept some responsibility for the Department of Education in the fact that many of these school divisions, including Antler School Division, have had to increase their tax rates by 15 and 25 percent?

**HON. J. STORIE:** Madam Speaker, I think the member opposite is perfectly aware of the contribution of the province to funding of education. We have seen a major increase over the last few years including a 5.1 percent increase in this fiscal year.

The decision to increase special levies is a decision of the school board. I recognize that school boards are faced with some difficult decisions based on changing enrolments in particular areas within school divisions. That's a matter that has been faced by school divisions for some time. It's not something new. It is never easy, and although we have provided support for small schools in a variety of ways through the Department of Education, we cannot accommodate all the eventualities.

In some unfortunate instances, schools are closing. I am not familiar with the details of this particular school, nor its circumstances. If someone from the division or someone representing parents in the division would care to meet with me to inform me of the particulars, I would be more than happy to do so.

**MADAM SPEAKER:** May I remind the honourable member of Beauchesne Citation 357(y) that a question should not "raise matters under control of local authorities not responsible to Government or Legislature."

#### **Farm Lands Protection Act - Divestiture clause**

**MADAM SPEAKER:** The Honourable Member for Virden.

**MR. G. FINDLAY:** Thank you, Madam Speaker. My question is to the Minister of Agriculture regarding The Farm Lands Protection Act.

Subject to Section 3(2) of that act, I would like to ask the Minister, how many credit institutions now have land in excess of the maximum allowed under the act, and how many acres of farm land will be forced on to the market prior to September 26, 1987, when the three-year divestiture clause, Clause 3(6), comes into force?

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

**HON. B. URUSKI:** Madam Speaker, I thank the honourable member for his question.

I would suggest that kind of detailed information, if he would like to pose it during the Estimates debate, which will be coming up shortly, and there will be people from the board available to discuss this. If he wishes, I will be pleased to take it under advisement, get that information and provide it to him. But there will be an opportunity for him to debate.

I want to tell the honourable member that any institution is free to come before the board and ask for an exemption from the legislation. If in fact the circumstances warrant such an exemption, it will be granted. In fact, there have been cases where the board itself has heard evidence from institutions where they may have in certain instances exceeded their limit. They look at each case on its own individual merits and they were granted exemptions.

**MR. G. FINDLAY:** A supplementary question, Madam Speaker.

Does the Minister agree that any forced dumping of farm land onto the market . . .

**MADAM SPEAKER:** Order please. A question should not seek an opinion.

The Honourable Member for Virden, if you'd like to rephrase your question?

**MR. G. FINDLAY:** The forced dumping of farm land onto the market will decrease the market value of farm land and therefore probably increase . . .

**MADAM SPEAKER:** Order please. Does the honourable member have a question?

The Honourable Member for Virden.

**MR. G. FINDLAY:** Yes.

**MADAM SPEAKER:** If you can ask your question without seeking an opinion from the Minister?

**MR. G. FINDLAY:** My question is, Madam Speaker, will dumping of farm land force the financial situation of farmers into a worse situation than what it is now?

**HON. B. URUSKI:** Madam Speaker, I can tell my honourable friend that there is no intent to dump any land on the market. There are provisions on — (Interjection) — Madam Speaker, I believe that . . .

**MADAM SPEAKER:** Order please.

**HON. B. URUSKI:** I believe that my honourable friend should have some discussions with the financial institutions in this province as I have, Madam Speaker, and there are options for them to meet the requirements of the legislation. The situation in Manitoba is no different than it is in our neighbouring Province of Saskatchewan vis-a-vis the legislation.

Madam Speaker, there are some calling cards announcing themselves in this Legislature. If they don't want to hear the answer, they can obviously pose their own questions.

Madam Speaker, there is no intent at all on the government's part to deal with this question which in fact would artificially depress the price of land. Madam Speaker, the honourable member well knows that land prices have been depressed all over North America in terms of the financial crisis regardless of any legislation or not, and they have far exceeded in certain areas more than here in Manitoba.

**MADAM SPEAKER:** Order please. I'll remind Honourable Ministers that answers should be brief.

The Honourable Member for Virden.

**MR. G. FINDLAY:** Thank you, Madam Speaker. A final supplementary then, technically the three-year divestiture clause is still in the act and will cause the effects that we've mentioned. When is the Minister going to introduce amendments to the act to prevent this dumping of farm land?

**HON. B. URUSKI:** Madam Speaker, I do not accept the premise that my honourable friend makes at all. In fact, as I mentioned earlier, there are ample provisions under the legislation for financial institutions to meet the requirements of the legislation. A similar type of legislation has been in place in the Province of Saskatchewan a number of years beyond ours, and clearly the financial institutions have been able to operate under that legislation and I see no difficulty for them operating there. They have been told, and I have met with members of the financial institutions, that they have options in which to meet those requirements.

**MR. G. FINDLAY:** Then I would like to ask the Minister of Agriculture, have any exemptions been given to date to the financial institutions?

**HON. B. URUSKI:** Yes.

#### **Payment of claim re statements of Mr. Ron Keenberg**

**MADAM SPEAKER:** The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Madam Speaker, I have a question for the First Minister, or the Minister responsible for the Horse Racing Commission, or the Attorney-General.

Could the First Minister indicate whether the government has paid some \$80,800 plus costs to Foster Advertising Ltd. as a result of what the court judgment

described as blatantly misleading statements and negligent and reckless comments by Mr. Keenberg, the former Chairman of the Manitoba Horse Racing Commission, who was appointed by this government?

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

**HON. H. PAWLEY:** Madam Speaker, I'll take that question as notice on behalf of the Minister.

**MR. G. MERCIER:** Madam Speaker, could the First Minister indicate whether the government has paid any other claims, or is considering payment of any other claims, as a result of this judgment and the statements made by Mr. Keenberg?

**HON. H. PAWLEY:** Likewise as notice, Madam Speaker.

**MR. G. MERCIER:** Madam Speaker, in accepting these questions as notice then, could the First Minister also inform the House as to why the taxpayers of Manitoba should be responsible for payment of this money as a result of this judgment against Mr. Keenberg? There is no indemnification provision in the statute, could he table a legal opinion, which the government may have received, in support of payment of this claim and any other claims?

**HON. H. PAWLEY:** Madam Speaker, I understand the Acting Minister responsible for the Horse Racing Commission can provide some information with respect to the question.

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

**HON. J. STORIE:** Thank you. As Acting Minister responsible, Madam Speaker, I believe, if I'm not mistaken, that decision is going to be appealed. I do not know what stage that is at, but I understood that was the direction that the Manitoba Horse Racing Commission was prepared to take. So I think it's somewhat premature for the member opposite to base his questions on what obviously, at this point, are uncertain facts.

#### **Child abuse registry**

**MADAM SPEAKER:** The Honourable Minister of Community Services.

**HON. M. SMITH:** Madam Speaker, yesterday the Honourable Member for Brandon asked me whether the review of child abuse procedures would be province-wide. Madam Speaker, at that time, I indicated that it was. That was not, strictly speaking, accurate, Madam Speaker.

Because of the time frame and the quantity of work involved in the Winnipeg area, the review will focus on the Winnipeg area. Should there be recommendations that have wider application, we would certainly look at them province-wide and, should it become necessary to carry on a province-wide review at a later date, we certainly will do so, Madam Speaker.

Tuesday, 3 June, 1986

**MADAM SPEAKER:** The Honourable Member for Brandon West.

**MR. J. McCRAE:** Madam Speaker, perhaps I'll have an opportunity on another occasion to deal with the answer given by the Minister of Community Services just now.

### **Brandon University - funding to**

**MR. J. McCRAE:** Madam Speaker, I would like to direct a question to the Minister of Education, and it has to do with funding for universities in Manitoba and, specifically, Brandon University.

In response to a question by the Member for River Heights a few moments ago, the Minister talked about major increases in the Department of Education for public schools. Madam Speaker, the funding increases for the Universities Grants Commission this year is to be 3.8 percent, and the increase for the Brandon University, excluding new programs, is to be 2.7 percent. My question to the Minister is: why does Brandon University get 2.7 percent when the Universities Grants Commission receives 3.8 percent this year?

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

**HON. J. STORIE:** Madam Speaker, of course, the member has chosen to break out the statistics as he sees fit, or as is convenient. The fact is that, on a year-over-year basis, Brandon University's increase has been substantially more than 3.8 percent. The member correctly pointed out that is partially because of some additional funding for the nurses' program, I believe, and some capital funds for the music building. Those two projects are obviously very important to Brandon and very important to Brandon University. So if you look at a global basis, I believe in Brandon's case, the overall increase is more like 5.5 percent or 6 percent on a year-over-year basis.

I would point out to the member opposite as well that, in terms of our ability to fund post-secondary education in this province, the case has been made time and time again. We received \$7.5 million in transfers from the Federal Government in cash transfers this year — that is for both health and post-secondary education. We have passed that on and more to the universities alone, never mind our contribution to the health system in this province. Madam Speaker, we are attempting to deal with the priorities of the university in the most expeditious manner possible.

**MADAM SPEAKER:** I'm sure the House would appreciate if answers were dealt with in the most expeditious way as possible.

The Honourable Member for Brandon West.

**MR. J. McCRAE:** Madam Speaker, is the Minister taking issue with the President of the Brandon University who says that Brandon University is being asked to do the same, or even more, with less resources? Is he disagreeing that student tuition fees at Brandon University — the Minister is an alumnus of Brandon University, and should be interested in this — but does he take issue with . . .

**MADAM SPEAKER:** Order please. Could the honourable member please rephrase his question briefly so that it does not seek an opinion? It is not in order for a Minister to be asked whether he agrees or does not agree.

**MR. J. McCRAE:** I'm sorry, Madam Speaker.

What message, Madam Speaker, does the Minister have for the students at Brandon University?

**HON. J. STORIE:** Madam Speaker, I have two messages for the students of Brandon University. One is that we need no lectures from members opposite about the commitment that needs to be made on the part of Manitobans to our universities.

The second thing that needs to be said to members opposite and to the students of all of our universities is that post-secondary education is in perilous times. Unless we get some commitment from the Federal Government to maintain the 50-50 cost funding to our institutions, they are going to be jeopardized.

### **Safety shields - taxicabs**

**MADAM SPEAKER:** The Honourable Member for Ellice.

**MR. H. SMITH:** Madam Speaker, my question is for the Minister of Highways and Transportation.

With the slaying of a cab driver on April 6 and 14 robberies of cab drivers since in the City of Winnipeg, and bearing in mind the Department of Workplace Safety and Health Regulations passed in 1984 that require that there be an emergency safety plan agreed upon by the employer and lone worker, will your department investigate standards and consider the option of mandatory protective shields for all taxis?

**MADAM SPEAKER:** The Honourable Minister of Highways.

**HON. J. PLOHMAN:** Madam Speaker, we are obviously very concerned about the safety of cab drivers in the City of Winnipeg and the Province of Manitoba. This is within the jurisdiction of the Taxicab Board, and they are currently reviewing and considering the safety matters relating to the issue of safety shields. I will be exploring that further with the Taxicab Board in the near future and looking at the possibilities of mandatory shields. No decision has been made at the present time on that, Madam Speaker.

**MR. H. SMITH:** A question. When do you consider a date that you will, in effect, be able to report some progress and some decision either for mandatory shields or against mandatory shields in taxicabs?

**HON. J. PLOHMAN:** As soon as possible, Madam Speaker.

### **McKay, Bill - response to letter**

**MADAM SPEAKER:** The Honourable Minister responsible for Native Affairs.

**HON. E. HARPER:** Last week I took as notice a question from the Honourable Member for Arthur regarding Bill

McKay's letter. I wish to advise the member now that I have responded to the letter and it took some time because I had to collect some facts to make sure that the issue was resolved.

#### **Document, tabling of - Indian Mental Health Research Report**

**HON. E. HARPER:** Also, at the same time, I would like to give the member a document which he referred to — I think it was two Fridays ago — on Indian mental health research. I would like to forward the document to him now and I wish to advise the member, also, that the Chiefs from the Brotherhood of Indian Nations and from the First Nations Confederacy, that they have reached an impasse in trying to reach dollars from the Federal Minister of Health and Welfare to conduct the negotiations of transfer of health services to the Indian Bands, and I wish that he would convey that same message to the Minister of Health in Ottawa. Thank you.

#### **Child abuse - terms of reference of inquiry**

**MADAM SPEAKER:** The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Madam Speaker, a question to the Minister of Community Services.

I believe last week she indicated that she would table in the Legislature today the terms of reference for the inquiry into child abuse. I wonder if she could do that.

**MADAM SPEAKER:** The Honourable Minister of Community Services.

**HON. M. SMITH:** Madam Speaker, I am finalizing the contract today and I hope to be able to table the terms of reference and the names of the consultants tomorrow.

#### **St. Boniface Hospital - Labour-management disputes**

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

**MR. D. ORCHARD:** Thank you, Madam Speaker.

My question is for the Minister of Health. Amid allegations of labour-management disputes at the St. Boniface Hospital, could the Minister indicate to the House whether he and his department have investigated those allegations and are working with the hospital and the unions to make sure that those allegations of poor relations don't affect patient care at St. Boniface?

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

**HON. L. DESJARDINS:** Madam Speaker, this is an internal matter to be resolved and there is a way to resolve it. There has been a joint council established between management and labour and this would be the normal place to bring in any problems that they have at this time.

As of this time, we don't expect to interfere.

**MR. D. ORCHARD:** Could the Minister of Health indicate whether these allegations of labour-management disagreements were in any way responsible for the recent restriction of admissions to St. Boniface Hospital?

**HON. L. DESJARDINS:** No.

#### **Census forms - Native communities**

**MADAM SPEAKER:** The Honourable Member for Arthur.

**MR. J. DOWNEY:** Thank you, Madam Speaker. I have a question for the Minister of Native Affairs.

Do he and his government, Madam Speaker, support the Native community of Manitoba in not filling out their census forms?

**MADAM SPEAKER:** I think the honourable member knows that he is not to seek an opinion.

The Honourable Member for Arthur.

**MR. J. DOWNEY:** Madam Speaker, with all respect, the question was, does he and his government support the Native community in Manitoba in not filling out their census forms?

**MADAM SPEAKER:** The Honourable Minister responsible for Native Affairs.

**HON. E. HARPER:** Yes, I have stated publicly that I support the census because it is very important that Native people have statistics to base their decisions on in terms of taking over control of education and health issues.

#### **Liability coverage - government boards, commissions, etc.**

**MADAM SPEAKER:** The Honourable Member for Kildonan.

**MR. M. DOLIN:** My question is for the Attorney-General. . . . (inaudible) . . . question of the Member for St. Norbert, what is the liability situation of people who, for their expertise, serve on government boards, commissions, etc.? Do they have to take responsibility for personal liability or is there some protection for functions by these people while performing their tasks as volunteers for the government?

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

As the member well knows, a question should seek information and should not seek an opinion, either legal or otherwise.

**MR. M. DOLIN:** If I might, Madam Speaker, I'll rephrase the question.

**MADAM SPEAKER:** I am afraid the time for Oral Questions has expired.

## HANSARD CORRECTION

**MADAM SPEAKER:** The Honourable Member for Riel.

**MR. G. DUCHARME:** A Hansard change on Page 485, Monday the 2nd, fifth paragraph, last line. The city will not "hoard" instead of "afford."

**MADAM SPEAKER:** The Honourable Minister of Cultural Affairs.

**HON. J. WASYLYCIA-LEIS:** Madam Speaker, I rise on what I believe to be a matter of privilege.

Madam Speaker, as I said, I am rising on a matter of privilege but I seek your advice on this matter.

On Friday, the Member for Portage la Prairie, in speaking during the Budget Debate, stated that I have a single portfolio, but getting a salary on the basis of a shared portfolio. This is not true. I have three responsibilities but, more critically, he said I keep my baby in the office and therefore suggested that I might just need a high-priced babysitter.

Madam Speaker, this is obviously not true, given my heavy responsibilities. If the member had cared to check, he would know that I have a playpen in my office in order to spend more time with my son, whenever possible, in the evenings and on weekends. I wish it was as easy as the member suggests and that I could see my son more often.

Madam Speaker, the comments of the Member for Portage la Prairie are a reflection on all working women who are trying to combine job and family responsibilities and are therefore cause for grave concern.

**MADAM SPEAKER:** The honourable member might have a case to bring before the House in terms of a grievance but it does not constitute a matter of privilege, nor did the member conclude her statement with a motion to that effect.

## ORDERS OF THE DAY

### BUDGET DEBATE

**MADAM SPEAKER:** On the adjourned debate on the proposed motion of the Honourable Minister of Finance, and the proposed amendment thereto by the Honourable Leader of the Opposition, the Honourable Member for Ste. Rose has 21 minutes remaining.

**MR. G. CUMMINGS:** Thank you, Madam Speaker.

When we adjourned last night, I was beginning to comment on the farm portion, the agricultural portion of the Budget Address. I commented, Madam Speaker, that what we see is, in real dollars, a \$12 million increase in the budgetary cost to the province.

First of all, let me say, Madam Speaker, that the total of \$70.3 million that we see within the agricultural budget this year does not come anywhere near the emergency increases that we saw back in the 1981 year.

However, as I said previously, I compliment the Minister on the increases that are there, given the fact that I did not think his fellow Cabinet members would even give that far in the pressures of the agricultural community.

We see an increase of 5.3 percent in the support to Manitoba's insurance funds. I would like to spend a moment commenting on that, Madam Speaker. It seems to me that we have a situation where the one part of the agricultural community is not being treated with fairness in comparison to the other part because many people went into the Hog Stabilization Program believing it was actuarially sound.

The costs have now been written off and I, of course, have to bow to those in the hog industry who were able to persuade the Minister that this was a good way to go. I have to say, however, it creates two classes of hog producers out there, the same manner as I believe we are going to see two classes of cattle producers before too long in this province. In fact, we probably have them now. I guess I touched on this during the Throne Speech because I felt that at that time we could not predict what the actions of the department would be.

I note that under Farm Start, Madam Speaker, and MACC, that the comment is made that one of the main criteria, and the important criteria, under this program would be monies would be directed in particular to individuals who had demonstrated production and financial management capabilities. If that has all of a sudden become important, I wonder what has happened to the loan portfolio of MACC this last winter, because that has been a problem with many of the applicants who have been dealing with MACC, who have suddenly found that their cash flow problems were restricted because of the present financial difficulties that we have.

Unfortunately, if they had been considered in the light of demonstrated production and financial management capabilities, their applications for loans would have probably been dealt with in a more favourable manner; and I have to hope that this is an indication on the part of the Minister and the Department of Agriculture that we will see some humane changes in that area of granting loan portfolios to some of the young farmers in this province. — (Interjection) — Well, I gave him a little credit. We don't want to be too hard on him because we want him to keep working on behalf of the farmers of this province. I mentioned last night, Madam Speaker, that for every 1 percent drop in the interest rates at the bank, that this could approach the level of \$1000 per farm in saving in interest costs.

I guess what bothers me about this Budget and about the agricultural policies that we have in place is that we saw an extension of the present system and programs. But we saw also is that we have really not had a reaction from the government to what is possibly an emergency and certainly a crisis in the area of agricultural policy, nothing that would touch those people who are outside of the MACC loan portfolio, except — and I say except — for the fact that we will now be eligible, the lower income farmers will be eligible for CRISP benefits under the qualifications which I believe should never have been removed in the first place.

If the Minister had been able to include in this Budget, if he had been able to persuade the Minister of Finance that taxes for educational purposes on agricultural land could be removed at this time and provide some immediate benefit across the broad spectrum of the agricultural community, then I would have felt much more complimentary about the actions that we see throughout this Budget.

(Mr. Deputy Speaker, C. Santos, in the Chair.)

Mr. Deputy Speaker, members opposite have challenged us several times to talk about what alternatives there might be. They have talked long and hard about how the fact that we have been criticizing not only the deficit expenditures but we've also been criticizing some of the expenditures not being high enough.

Mr. Deputy Speaker, it's a case of reallocation of funds; it's a case of priorities that I think are not being addressed throughout the Budget. I have to say that, in terms of actual dollars or percentage increase, the amount of monies that are allocated for health and education in this Budget do fall within the guidelines that we had established for ourselves during the election; but I don't see the priorities in many other areas of the Budget as being priorities that are good for the rural parts of Manitoba; I don't see them as being priorities that are good for the constituency of Ste. Rose.

I have mentioned before, and I would like to remind the House again at this time, that if we have drainage ditches that are not being maintained, if we have severe drainage problems that cannot be addressed because of lack of funds in municipal and natural resources areas, then we have problems that are not being addressed, and probably we should be considering those sorts of problems rather than the riverbank reconstruction that we see at this particular time that is not a priority in terms of the important needs of this province, in my opinion.

Mr. Deputy Speaker, I look at the amount of money that is going into the Jobs Fund; I see \$170 million going in there and I say that borders on being obscene. If we were to take \$60 million out of there and put it into the agricultural portfolio, we would have virtually doubled that portfolio and we still wouldn't have exceeded 3 percent budgetary costs in this province, and it still would not exceed or would still not be providing a real significant increase with an impact of an offsetting amount for agriculture which is an industry that puts 20 percent of the gross productivity into this province.

So I say there are lots of areas for reconstruction of this Budget. Certainly, I think that if the members on this side had had the opportunity to have put together the Budget for this province, we would have seen directions that would be considerably different than what we presently have before us.

I mention the Jobs Fund again, Mr. Deputy Speaker, because I see it as being part of the artificial economy that the government of this province is beginning to generate. I see the programs associated with Limestone and several other areas, but I would single out the one in the Limestone project as being, to my mind, a textbook example of how we can redirect funds through other areas and not reveal the true costs to the taxpayers of this province in the areas that the money is being spent.

I've identified municipal expenditures as another area where programs are aided by the Jobs Fund but the true cost is not laid out in a very understandable fashion before the public of this province.

Mr. Deputy Speaker, all departments of our government should be able to be responsible enough to handle the funds that are allocated to them without

having another fund whereby we can plump up programs here and there throughout the year. If we cannot plan at the start of the year what the costs will be and what the programs will be within the various departments of the government, then there is something sadly lacking in the planning and the projections of government.

I maintain, Mr. Deputy Speaker, that the Jobs Fund has become abused. While the concept may have had some social benefits, and I'm sure that is the ground upon which it is being sold, it has now gotten to the point what we are looking at is a situation where the Jobs Fund is not being used for its original intent. It is becoming a rather convenient and poorly planned salve to the profile of the government who would wish to put money into one of the most politically sensitive areas that it has identified at that particular time.

Mr. Deputy Speaker, let me say that when looking at the public debt of this province, we see it has risen by almost \$60 million. We now have a total responsibility of \$322 million, a substantial increase, and it seems to me that we are looking at the signs of the direction in which the government is leading us; the signs of the direction in which we are slowly being immersed in a quagmire of debt. I quote from the Budget Speech when the Minister says, "Would a family be better off selling its home to pay its mortgage"? I suggest, Mr. Deputy Speaker, that may very well be what we are doing. Debt, if it produces long-term results, produces long-term stability, if it produces long-term benefits for the future of this province, can be justified. Extreme debt that only gives short-term results cannot be justified.

Our future seems to be slowly being mortgaged away, Mr. Deputy Speaker. I think it's time for us to face reality. It's time for this government to stop avoiding the inevitable and start dealing with the monetary problems that it has created and start dealing with the monetary problems that I see being indicated down the road for this province. Therefore, I am speaking on behalf of the amendment, and I believe that is the only correct way that we can vote in order to show our displeasure with the priorities of this Budget.

**MR. DEPUTY SPEAKER:** The Member for Lac du Bonnet.

**MR. C. BAKER:** Thank you, Mr. Deputy Speaker.

I'd just like to take a few moments to talk about the agricultural component of the Budget. I don't want to take enough time to cover the waterfront as many members did, but nevertheless I would like to make a contribution at the present time. I suppose the members opposite will probably accuse me of fed bashing, but I want to say to them that my tune has not changed for the last 20 years. I call it like it is. When the Liberal Government was in Ottawa, I always pointed out at various farm organizational meetings, their shortcomings, and I see no reason to change my criticisms just because we have a present Conservative Government in Ottawa.

I want to say, firstly, I think the 21 percent increase in the agricultural component of the Budget is a very modest increase. To some, it might seem very large, but in terms of the crisis in agriculture, I think it is a

very modest increase. Having said that, Mr. Deputy Speaker, I want to say, I think under present economic circumstances, we are probably doing about as much as we can in Manitoba without having to come up with a major tax increase.

Insofar as the school tax relief on farm land is concerned I think it is something that us agricultural people in this House will have to keep working on because I believe it is very necessary to remove those iniquitous burdens that fall on people without having relationship and the ability to pay. Whereas we didn't get any satisfaction in this present Budget, Mr. Deputy Speaker, I know that in future budgets this will be given consideration.

In talking about what we can do for agriculture, Mr. Deputy Speaker, one has to turn obviously to the Federal Government. I say that not as one who wants to provoke debate from the other side of the House insofar as calling us fed bashers again, because we're not the only ones who say that the Federal Government has to do more. I would like to quote from the spokesman for the Canadian Federation of Agriculture. He was quoting after the announcement of the Prime Minister in his agricultural initiative. He said, "The announcement doesn't give us all we want but it helps," and I agree.

Of course, you have the rebate on fuel taxes of 5.5 cents per litre but we shouldn't forget that tax was also put on by the present government. So, really they put something on and now they're taking it back. But nevertheless, I want to express that I appreciate that effort.

They also propose, and I think it's probably going to be law, that the domestic price for wheat go from a \$7 regime up to \$11 regime. That also is a good move. It'll put much needed money in the pockets of farmers.

Ted Turner, head of the Saskatchewan Wheat Pool said, "These moves are good, they're moving in the right direction, but there's still a gap that has to be addressed some way or the other." Turner has called on Ottawa to make a \$2 billion deficiency payment to prairie grain growers to keep their income at least at last year's level.

Charlie Swanson, first vice-president of Manitoba Pool Elevators said, "Mulroney is finally taking the western farm situation more seriously, but farm groups will continue to press for massive government payments to compensate them for falling world prices."

More recently, Mr. Deputy Speaker, the Conference of the Premiers, Premier Devine, who is not known to be a fed basher by any stretch of the imagination, he expressed satisfaction before he left the success of the Conference, particularly with the resolutions on agriculture which recommended a \$1 billion infusion into the Western grain economy. So let it not be said, Mr. Deputy Speaker, that to talk about more federal input into agriculture is somehow treating our senior government unfairly.

I want to also quote the National Farmers' Union president. He concluded, "If Canadian farmers are to survive the current price between the U.S. and the EEC, the Federal Government must implement additional measures. Then, if you will continue to press for the Deficiency Payments Program to compensate farmers for the drastic decline in grain market prices." He explained, "The Western Grain Stabilization Program

was not intended to deal with this kind of a crisis that we are currently facing. What is needed is a national, uniform policy approach that will deal equitably with all farmers across this country."

He said, "The drawbacks of the Western Grain Stabilization Program are numerous. The program currently provides maximum payments only to those large farmers who have been able to maintain maximum premium levels as a result of good crops in previous years." He noted, "The plan provides less support to those enrolled in the program who have experienced shortfalls and provides absolutely nothing to the 30,000 or so producers who are outside the plan completely."

Noting that the Eastern producers are equally hard hit by the world grain price he said, "The decline of farm income is a national problem that requires a national policy solution". Mr. Deputy Speaker, I certainly concur with some of the criticisms he makes of the Western Grain Stabilization Program. You know, we talk about a program that the Federal Government has to institute to bail the farmers out of their present economic circumstances, and there is such a program in place, Mr. Deputy Speaker.

We have two stabilization programs in this country, firstly, we have a program that was introduced, I believe it was in the first year of the Diefenbaker Government back many years ago — and it was a good program — unfortunately, it was never activated; it was never used; it languished for years and years. It wasn't until the western agricultural sector of our agricultural economy in Canada was boxed into, was singled out and put under what we call the Western Grain Stabilization Program, that they started activating the other program to benefit the rest of the farmers in Canada.

If you make a comparison with the two programs, the first program, the one that was introduced under the Diefenbaker Government, is a far more generous program than the Western Grain Stabilization Program. It has no limits, Mr. Deputy Speaker, insofar as your production is concerned. For instance, this year corn producers and soya bean producers will be getting an interim payment, and if you permit me, Mr. Deputy Speaker, I'll read you the article so that members in this House will know that I am speaking from facts.

"Canadian soybean and corn farmers will receive an interim payment between 17 million and 20 million for their 1985 crops, Federal Agriculture Minister John Wise announced. In his statement, Wise said: 'The payments were needed to help farmers with this year's planting expenses.' He said: 'Producers were facing serious income losses from falling prices caused by a record corn crop in the U.S. and above average yields in Canada, and reduced demand for corn from the Soviet Union. Corn producers will receive \$5 a tonne, and soybean producers will receive \$9 a tonne on their production for last year.'"

Now, Mr. Deputy Speaker, if you compare that to what happens in the Western Grain Stabilization Program, you don't get paid on all of your production. You get paid on the maximum input that you have, and it's controlled by the amount that you pay in. I believe it's up to \$750 that you contribute on a yearly basis, and that's your cap. If you produce twice as much grain as what you have paid in for, you will not get it, you will just get paid up to the amount of the cap that's on the program.

If you consider, too, Mr. Deputy Speaker, the fact that the payments made under the Canadian Agricultural Stabilization Program are made on the basis of no participation at all, all the Minister does is name the particular commodity and the farmers get a payment without making one red cent of contribution.

On the other hand, under the Western Grain Stabilization Program, you are taxed 2 percent of your payments — last year it was reduced, but I believe with the payments that are being made it will be raised up again. You pay in constantly until you have reached that cap.

Now, if you choose not to belong to the Western Grain Stabilization Program, you get absolutely nothing; you contribute nothing, you get absolutely nothing. On the other hand, under the Canadian Grain Stabilization Program, you contribute nothing; if the Minister names your crop, you get compensated to 90 percent of the last five-year average index for the cost of production.

Just think of it, Mr. Deputy Speaker. If we would be covered under the Canadian Grain Stabilization Program, 90 percent of the last five-year average index for the cost of production, the Crow rate debate would be redundant because it wouldn't matter how much your freight rate would go up because it would be included in your cost of production. So, therefore, the taxpayers of Canada would pick it up.

So let them not intimate to us that they're doing us a big favour by giving us a Crow benefit payment, whatever that will be and at whatever time we get it, because if we were covered underneath the Canadian Grain Stabilization Bill, the freight rate would be redundant.

Mr. Deputy Speaker, there is far more that I could say about these two stabilization programs, and I will be doing so in speaking under various farm resolutions that are introduced in this House in the coming weeks or months, perhaps.

I would like to talk about another tax that I think was inequitous and treats farmers unfairly, not just farmers, but Western Canada as well. I'm talking about the energy tax that we have in this country. A few years ago, Mr. Deputy Speaker, I don't believe it was this government, I think it was the previous Liberal Government, decided that they were going to tax energy because, after all, prices were rising in the world . . .

**MR. D. ORCHARD:** It was called the National Energy Program, called in by Trudeau.

**MR. C. BAKER:** Right on, right. But I want to just say to you how that tax affects farmers, and particularly at this present time.

For instance, the United Grain Growers, which produces a paper called the Grain News, there was a report done by a committee on the effect of the energy tax on agricultural production. It concluded that, if you farm intensively in Manitoba — for instance, if you were farming in the Red River Valley or the Portage Plains or any other place that has the capability of going for a maximum yield — you use a maximum amount of fertilizer, make sure that you spray to control every weed, that you kill every insect; in other words, you're farming intensely to get the most production out of that acre that you possibly can, that you could be paying up to \$11 an acre in energy tax.

Just think of it, Mr. Deputy Speaker. If you were driving down a country road . . .

**MR. J. DOWNEY:** In this country, that would be pretty rough.

**MR. C. BAKER:** Not in the R.M. of Brokenhead, we have good roads, Jim.

If you were driving down a country road and you were looking at a good crop on either side, if you were looking at a 70-bushel an acre crop on one side of barley, and a 50-bushel crop of wheat on the other side and, every time you moved 16.5 feet with your car, your odometer would kick out \$22.00. That is the amount that farmers that are growing those crops on either side of the road would be paying toward the national treasury in the form of energy tax to produce that crop, Sir.

There is another unfair burden that energy tax puts on, not just western farmers, but on Westerners and Northerners as well. Just think, who have the furthest distances to travel in this country? Westerners, all Westerners do, and Northerners do. Who have the furthest distances to get their crops to market, to get their produce to market and to bring in their supplies and their equipment? Again, Westerners and Northerners. Who have the coldest winters and has the biggest heating bills in heating their homes? Again it's Westerners and Northerners. I say to you, Mr. Deputy Speaker, that energy tax is grossly unfair, and treats westerners in a second-class way, as it does treat Northerners.

I think the rebate of 5.5 per litre, as far as fuel tax is concerned, is a move in the right direction, but it has to go much further, Mr. Deputy Speaker, than that. It has to remove much more of that \$11 an acre that I alluded to. If you look at the extra costs for the average westerner, Mr. Deputy Speaker, we are more than paying for our Crow benefit; we are paying for it ourselves in Western Canada.

The other discrepancy or injustice that I see that is perpetuated on the West that I want to talk about is our present tariff structure. That becomes more acute now that we are discussing so-called free trade talks with the Americans because, Mr. Deputy Speaker, the present situation that we have now — I'm not one to say that we shouldn't get involved in free trade talks, I think that we should, but I think we should be honest. We shouldn't talk about free trade. What we want is probably fair trade and a more orderly trade. I think that's what we're talking about. But I think free trade is a myth.

Nevertheless, Mr. Deputy Speaker, I want to talk about the situation that we're in now. In the Canada West Foundation, which I belong to and our municipality belongs to, a good organization, an organization that is dedicated to articulating the injustices that are perpetuated against the West and trying to bring them to the forefront so that political parties, such as ours and members across the way and all political parties, have an unbiased collection of material and data to work from so that, when they are referring to something, they can do so without being tarnished by being politically motivated in any way.

They also did a study, and that study concluded that it was costing westerners in 1983 approximately \$60

per capita, the tariff protection for Central Canada. Now, Mr. Deputy Speaker, if you take \$60 per capita and you take that back three years, again I say to you, that the so-called benefits that are bestowed upon Western Canada are being paid for by Western Canada.

In concluding, Mr. Deputy Speaker, I would just like to say that I appreciate the fact that there are many resolutions put forward dealing with some of the situations that are facing the agricultural situation in Manitoba and in Western Canada and I will be looking forward to making my contribution in those debates.

I would like to thank you for your time. And I would like to thank you, too, the Member for Arthur. I would like to thank him for sitting in and listening to me.

Thank you very much.

**MR. DEPUTY SPEAKER:** The Member for River East.

**MRS. B. MITCHELSON:** Thank you, Mr. Deputy Speaker.

I am pleased to have this opportunity to address the Budget. It is my second occasion to speak in a rather short period of time, and I can assure you I feel a little more at ease this time.

I began shaking days before my maiden speech, but only hours before this one. So there has been some improvement. I'm beginning to feel at home here and part of this 33d Legislature. But more importantly, I'm beginning to feel comfortable with and I'm very proud to be a part of this Progressive Conservative caucus.

Mr. Deputy Speaker, I will concentrate my remarks on the three major areas that concern me. Firstly, it's the growing provincial deficit. This Budget did not include any strategies, plans or actions that will substantially reduce our provincial deficit. The growing provincial deficit is shackling the productivity and creativity of all Manitobans. The overall deficit is incomprehensible to many Manitobans who can relate to their personal cash income and cash flow but have difficulty understanding the macroeconomics of government. The debt that future generations will have to bear is mind-boggling. If every ordinary Manitoban were to realize where this government is leading us economically, there would no longer be an NDP Party.

I might note, Mr. Deputy Speaker, that the Premier has almost been granted exclusive licence on the word "ordinary," and I seriously doubt if in reality he has any concept of what ordinary really is. To me, the word "ordinary," in the human context, represents intelligent people who do not need a government that controls their everyday lives.

However, Mr. Deputy Speaker, I can tell you who really does understand. It's the lending institutions that this government must approach to fund their large deficit, and we're all aware this government has been responsible for two successive declines in our credit rating, to further burden the taxpayers of Manitoba.

May I suggest that if this current large deficit continues to be maintained by this government, we can expect further reductions in our credit rating. In short, Mr. Deputy Speaker, not only will Manitobans be financing a large debt with their tax dollar, which we all know gives them no tangible results for their taxes, but we will soon be borrowing at even higher rates. Mr. Deputy Speaker, how long will it take for the lending

institutions to lose confidence in this government as I know many Manitobans have?

It is interesting to note that the former Minister of Finance, in his response to the Budget, stated, "I'm very proud of what our government has accomplished over the past four years, where we are heading." May I suggest, Mr. Deputy Speaker, that we are heading further and further into debt. Is that something to be proud of?

The First Minister in his response to the Budget stated: "I asked members across the way to demonstrate a little consistency." I agree, the NDP have demonstrated consistency. This NDP Government is consistent in misleading and misrepresenting the people of Manitoba by establishing an all-time record, caring enough to sit only four out of the past 22 months.

This NDP Government is consistent in maintaining deficits of half a billion dollars, putting Manitobans deeper and deeper into debt. The cumulative total debt in Manitoba is now \$7.3 billion, and our province's total debt per capita is the highest in Western Canada.

The annual interest on the provincial debt also continues to grow at a runaway rate. In 1986 to 1987, this government indicates that \$328 million will be spent through the Department of Debt Service — up to \$59 million more from last year and about 8.3 percent of the total spending budget. On a per capita basis, an average family of four will be paying about \$1,300 next fiscal year just to meet these provincial debt payments, the highest debt service payments in Western Canada.

Mr. Deputy Speaker, this socialist government has been consistently bad in the management of this province, but the NDP Government is inconsistent in their opinion of the economic condition of Manitoba. Let me give you just one example of this inconsistency. On the one hand, we have the Minister of Finance in his Budget Address saying: "Manitobans have witnessed the turnaround in our province's economic performance from nation lagging under the Conservatives to nation leading under the NDP." On the other hand, let's hear what the First Minister in his Budget response has to say about the condition of Manitoba's economy. He says that Manitoba is one of the smaller, poorer provinces.

Mr. Deputy Speaker, I agree with the First Minister that Manitoba is a poorer province, but I think it is important to note that we have become a have-not province under five years of NDP mismanagement and excessive deficit budgeting.

How can this government constantly cry about how badly the Federal Government treats them on the funding formula when just over a week ago, with the introduction of the Budget, they deprived the City of Winnipeg of \$4 million, thus putting the city in a position where they may have to pass on a 3 percent additional increase to all the citizens of Winnipeg in order to regain this lost revenue? To further compound this injustice, Mr. Deputy Speaker, it appears that the Minister of Urban Affairs was not made aware of the inclusion of the hydro water rate increases in the Budget, nor was he aware of the impact on the City of Winnipeg taxpayers. No wonder Manitobans doubt the sincerity of this government when they try to convince them that we are being mistreated by the Federal Government, when this government is in the process of fattening the Provincial Treasury at the expense of Winnipeg municipal taxpayers.

Mr. Deputy Speaker, a single phone call to the Budget Bureau of the City of Winnipeg would have provided this government with the information that the so-called hydro water rate windfall that the City of Winnipeg receives from Winnipeg Hydro go directly into general revenue to support the tax base of the City of Winnipeg, thus keeping municipal taxes lower than they might be.

Talk about consultation and dialogue between governments. How can this Provincial Government lead us to believe they are interested in consultation with the Federal Government in Ottawa when they cannot consult and reach agreement with the Municipal Government in the City of Winnipeg? Perhaps we'll be hearing that the Federal Government should reimburse the City of Winnipeg the \$4 million they have sneakily taken from the city.

Mr. Deputy Speaker, I think it is obvious that the old adage, action speaks louder than words, could be applied to the example just cited. Contrary to what this Provincial Government preaches, their actions do not suggest they are capable or willing to consult with other levels of government.

My second area of concern is the non-productive fedbashing that seems to be this government's favourite pastime. Not only is it non-productive, Mr. Deputy Speaker, it does very little to enhance the relations between the Federal Government and the province. Many of the statements made and the manipulation of statistics are misleading and are not giving Manitobans an accurate presentation of the facts. It is further obvious that this government continues on one hand to almost bite the hand that feeds it, and on the other hand, holds its hand out, palm up, for more money. Perhaps this, Mr. Deputy Speaker, will become known nationally as the new Manitoba handshake.

Let's give credit where credit is due. Manitoba has benefited from a wide variety of initiatives taken by the Federal Government. The Manitoba economy has been showing signs of strength since the election of a federal Progressive Conservative Party. Unemployment is down significantly, job creation is on the upswing, and the overall investment climate has improved dramatically.

The following facts and figures illustrate the size and magnitude of the improvements in the economy. A total of 23,000 jobs have been created since September of 1984. More jobs have been created in Manitoba in the 19 months since September 1984 than were created in total between February 1980 and September 1984. The Manitoba unemployment rate has fallen from 9 percent in September 1984 to 8.2 percent today — federal jobs.

The value of building permits in 1985 was up \$168 million, or 31.8 percent, compared to 1984. Building permits in the first two months of 1986 were up 81.7 percent compared to the same period last year.

Retail sales have increased by 9 percent in the past year and by 15 percent since the September 1984 election.

Housing starts in Manitoba rose by 24 percent last year to reach their highest level since 1978. Housing starts in the first four months of 1986 were up 50 percent.

Manufacturing shipments in Manitoba were up 5 percent in February 1986 compared to the same month in 1985.

Capital spending is estimated to have increased by 12.8 percent last year and is forecast to increase by a further 8.9 percent in 1986.

Mr. Deputy Speaker, the improvement in the economy in Manitoba is directly coincidental to the election of the Federal Progressive Conservative Government whose commitment to Canada, as quoted by Prime Minister Brian Mulroney, is jobs, jobs, jobs. Manitoba is reaping the benefits of the Federal Government's job creation initiatives, but we have a Provincial Government that is critical of the Federal Government as stated a minimum of 14 times in the Budget Address, but who has the audacity to claim credit for the improvement directly resulting from the economic initiatives they constantly criticize.

Manitobans will not be fooled or not be misled by a smoke screen of misleading and inaccurate statements about the condition of our economy.

Mr. Deputy Speaker, may I suggest, based on fact, that the economy of Manitoba has not improved as a coincidence of the Federal Progressive Conservative Government but has improved as a direct result of the election of a Progressive Conservative Federal Government.

The income and corporation taxes, which Ottawa collects for the provinces, will provide this government with a handsome increase in revenue. Contrary to what our Honourable Minister of Finance has said, equalization payments will be up a healthy \$50 million, and that does not take into account the additional \$4 million they will take from the City of Winnipeg.

Even contributions to health and higher education, the ones that this government always says Ottawa is cutting back, are going up some 6 percent, which is almost the same rate of increase as this government plans for its spending in those areas.

The NDP's theme in the last election was "Stand up for Manitoba." I think it's time, Mr. Deputy Speaker, that Manitoba tried to stand on its own two feet. Why can't we be more self-reliant by encouraging business and industry to come to Friendly Manitoba?

The payroll tax is an insult to a businessman's intelligence. The punitive taxation and pro-labour, anti-business legislation of this province is the biggest disincentive to any business that might otherwise come to Manitoba.

Mr. Deputy Speaker, the third area I would like to discuss is health care. I must congratulate the Minister of Finance for the 6.4 percent general increase in the health care area. I was also pleased, Mr. Deputy Speaker, to hear that dashing Minister of Health, in his response to the Throne Speech, say that there is too much partisanship in this House, that certain things . . .

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

**A MEMBER:** You can use "debonair" also, if you want.

**MRS. B. MITCHELSON:** Well, I considered that; I considered it. This dashing Minister of Health, in his response to the Throne Speech, said there is too much partisanship in this House, that certain things should be above partisan politics for the good of Manitoba. I hope he was referring to health care.

My questions are: is he is serious about cooperation; is he is serious about better health care? If he is, I welcome his intention, but a promise is nothing unless it is fulfilled.

I might note, Mr. Deputy Speaker, that during my response to the Throne Speech, the dashing Minister of Health was observed thumping his hand on his desk, shaking his head in a negative manner, shouting "no way, no way" when I indicated that Concordia Hospital needed more acute care beds, not extended care beds.

Given the fact that Concordia Hospital has only 136 acute care beds to service 110,000 people while every other community hospital has approximately twice the number of beds, Concordia Hospital does need acute care beds to meet the needs of the ever-increasing population in the northeast quadrant of Winnipeg.

In my opinion, Mr. Deputy Speaker, the Minister of Health's response in no way indicated he was willing to cooperate with or consult with myself or, more importantly, with his colleague who represents the constituency of Concordia to ensure the needs of our community are met.

**MR. DEPUTY SPEAKER:** Is a point of order being made?

**HON. L. DESJARDINS:** Mr. Deputy Speaker, would my honourable friend permit a question?

**MR. DEPUTY SPEAKER:** It is up to the member. Does the member allow the question?

**MRS. B. MITCHELSON:** When I am finished.

One of the biggest issues of the health care is increasing costs; about one-third of our Budget is spent on health care. I know, Mr. Deputy Speaker, in my profession, health care, many nurses and nurse administrators are concerned about providing quality care within the financial realities of the day.

I believe that quality and productivity will be the buzzwords of the Nineties. The problem is, Mr. Deputy Speaker, that when one looks at productivity, there is very little being done to determine whether health care people are being productive.

Let me be absolutely clear on this point, Mr. Deputy Speaker. I am not criticizing the productivity of the individual health care workers. What I am saying is that this government must find ways and means to ensure productivity by means of research, educational processes, workshops and current technological advancement particularly in the computer field.

Additionally, another major concern is the funding formula to hospitals, which is based to a great extent on volume, without taking into consideration the level of patient illness and the type of patient care required.

We all know that the level of patient illness determines the cost of individual patient care, yet our financial formulas do not take this into consideration. Does this government know, Mr. Deputy Speaker, if it is over-funding or under-funding certain hospitals or certain areas within those hospitals? There are systems available to look at utilization and productivity. They must be further enhanced and developed.

Another concern, Mr. Deputy Speaker, is that much of the health care research funding is in the basic

science area. This is very definitely necessary but in addition to this we need good patient care studies to look at the best and most efficient ways and methods of patient care.

I realize we cannot have quality health care at any cost because our economic realities must be dealt with. I am prepared and willing to work together towards prioritizing the spending of our health care dollars in a productive way for the benefit of all Manitobans, by consulting with and working with all areas within the health care system.

In conclusion, Mr. Deputy Speaker, initially this government has made a strategic error in not dealing with the deficit, and the people of Manitoba will suffer now and in the future. I find it particularly disturbing to have to burden my children with a debt of this magnitude and expect them to ultimately assume responsibility for that.

Secondly, to rely entirely on Big Daddy in Ottawa, without developing economic strategies and plans to stand on our own two feet and make decisions on our own, seems immature and shortsighted. It is almost an admission that this Provincial Government is incapable of governing this province without massive capital intrusions from Ottawa.

**A MEMBER:** Right on.

**MRS. B. MITCHELSON:** Thirdly, Mr. Deputy Speaker, contrary to the belief of the opposite side of the House, you do not have to be a socialist to care. I care very much for the quality of life of all Manitobans and I care very much about the quality of our health care system; and I am willing to work together to have an improved system for all Manitobans, provided that the principles of fiscal responsibilities and responsible health care are maintained as a common objective.

Thank you.

**MR. DEPUTY SPEAKER:** The Member for River East has ample time remaining. Will she permit a question now from the Minister of Health? She has 15 minutes.

The Member for Elmwood has a question? Will the Member for River East yield to a couple of questions from the Member for Elmwood? She will.

**MRS. B. MITCHELSON:** Well, I indicated I would answer a question from the Minister of Health. Let's take one at a time.

**MR. DEPUTY SPEAKER:** The Member for River East will yield a question from the Minister of Health.

**HON. L. DESJARDINS:** My colleague also apparently asked if he could ask a question to the last speaker.

I would like to ask the member who spoke last, because it is a bit confusing, ask for cooperation from the Minister of Health. Are you talking about cooperation, trying to reduce the deficit or in providing beds to help in a partisan way in your constituency?

What is it, to increase the cost or to try to reduce the deficit? Could you enlighten me on that?

**MR. DEPUTY SPEAKER:** The Member for River East.

**MRS. B. MITCHELSON:** Mr. Deputy Speaker, I'd like to indicate to the Minister of Health that I know or I

feel and I know definitely that we should be able to consult together and work together towards making the northeast quadrant of Winnipeg a better place to live, as far as health care goes.

You are adding beds on to Concordia Hospital. They are extended care beds. Concordia Hospital needs acute care beds. Comparing the size of Concordia Hospital to the size of other community hospitals, Concordia Hospital originally was to be larger; it was cut back under this current NDP Government. So I am saying to you that for the number of people that the size of the area that Concordia Hospital serves, that we require more acute care beds to make it a viable hospital for the people it serves.

**HON. L. DESJARDINS:** I guess what the member is discussing could be discussed in the Estimates, then we could cooperate. I guess the member is saying, to hell with the deficit, I guess, we're not talking about that.

**MRS. B. MITCHELSON:** Can I answer?

**MR. DEPUTY SPEAKER:** This is question period, after the speech. The Member for River East has agreed to entertain a question after her speech and she answered one question.

**MR. J. DOWNEY:** A point of order, Mr. Deputy Speaker.

**MR. DEPUTY SPEAKER:** There's a point of order being raised.

**MR. J. DOWNEY:** A point of order, Mr. Deputy Speaker. You raised the comment or you made the comment that it is now time for question period. Is that the time that the government questions the Opposition? Is that the process in which we're now going through?

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

**MR. DEPUTY SPEAKER:** Order please. On the point raised by the Member for Arthur, I said question period in the context only on the permission of the Member for River East.

To the Member for Elmwood — are you insisting on asking a question? — (Interjection) — Order please. Under the Rules of the House, Rule 247, it is entirely up to her if she would entertain the question or not. Would the Member for River East entertain questions from the Member for Elmwood?

**MR. D. ORCHARD:** A point of order, Mr. Deputy Speaker.

**MR. DEPUTY SPEAKER:** A point of order is being raised by the Member for Pembina.

**MR. D. ORCHARD:** Mr. Deputy Speaker, the Minister of Health in his capacity of Health Minister, did pose a question which he asked permission to do so, during the speech. Backbenchers have adequate opportunity to ask their Minister of Health questions during question period.

**MR. DEPUTY SPEAKER:** On the same point? Is it on the same point.

The Minister of Health.

**HON. L. DESJARDINS:** Well I hope not the same point of order, but on a point of order, yes.

On a point of order, it is always permissible immediately after a speech to ask the last speaker if they would accept questions. Of course, it is the privilege to accept or reject questions.

**MR. DEPUTY SPEAKER:** The Minister of Health is correct. That is the rule. It's entirely up to the discretion of the last speaker whether to entertain a question or not.

I'd like to find out from the Member for River East whether or not she's willing to entertain questions from the Member for Elmwood.

**MRS. B. MITCHELSON:** Mr. Deputy Speaker, I will entertain questions from the Member for Elmwood.

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

**MR. J. MALOWAY:** Thank you, Mr. Deputy Speaker.

Yesterday, the Member for Pembina made a statement about "ordinary" people when he said that he don't like that term because if you read "ordinary" in Webster's, you'll find it describes people as vulgar, common, etc. I don't like calling people "ordinary" and calling them "vulgar."

Now today, the Member for River East gave her definition of what an ordinary Manitoban was and that was at odds with the one we heard yesterday. It was a much nicer definition. I'd like to know, has she caucused with the Member for Pembina or other members of her caucus to determine a proper definition?

**MR. DEPUTY SPEAKER:** The Member for River East.

**MRS. B. MITCHELSON:** Mr. Deputy Speaker, I'd be delighted to answer that question. I think the Member for Pembina yesterday when he was speaking was using the dictionary, or quoting from the dictionary when he was describing "ordinary." If you'll look at Hansard or if you had listened closely to what I had said, I said, "To me, the word 'ordinary' in the human context represents intelligent people. We do not need a government that controls their everyday lives." I'm talking about the human context.

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

**MR. DEPUTY SPEAKER:** The Honourable Government House Leader.

**HON. J. COWAN:** Thank you, Mr. Deputy Speaker.

It's my pleasure today to be able to open my remarks by offering to you — and I see that Madam Speaker is now entering the Chamber — and to offer to her, as well, my sincerest congratulations on your election to the highest office in this Chamber, that of Speaker. I've been most impressed by the competent and the exemplary way you have handled the difficult duties which you have been assigned over the past few weeks. I have every confidence that you would continue to do so.

(Madam Speaker in the Chair.)

Madam Speaker, as House Leader for the government, I've suddenly taken perhaps a greater interest in the rules than I did in the past. I've certainly taken a greater interest than most in the rules and I can tell you that I have rapidly gained a far greater appreciation, if not really a better understanding, of the rules and parliamentary procedures and their fair and impartial and firm application. Having done so and having realized the difficulty of your job, I wish you well, sincerely, in your tenure as Speaker, and offer to you my commitment to do that which I can do to make your job easier. No doubt there'll be some days of disagreement, certainly no reflection, but some days of disagreement; perhaps even some days of discontent within this Chamber. But I am certain that your fair and impartial intervention will maintain the necessary decorum and the order, so that this Legislature can function effectively and efficiently, and we can serve those who elected us through progressive legislation and the new policies and the programs that will be developed by the dialogue in the debate in this Chamber.

That brings us to the matter that is now before the Legislature, and that is the New Democratic Government Budget and its consideration by members of this House. This Budget speaks to a vision of Manitoba and brings us all closer to our goal of a province where there is room enough for all Manitobans to reach their full potential. It speaks to the opportunity for each and every person to have gainful and productive employment and to be, more importantly, secure in the knowledge that health and education and other social services are being maintained and enhanced wherever possible.

It is a Budget that recognizes and affirms our longstanding belief that economic prosperity and social progress go hand in hand. It is a Budget that acknowledges a changing world and seeks to respond to new challenges in a comprehensive, but much more importantly, seeks to address those new challenges, difficult choices, in a compassionate way, a way that reflects our ongoing commitment to the human person and the betterment of their condition.

We are, in fact, right now, in Manitoba as elsewhere, a society in deep transition. I believe that we are privileged to live in times of great change, but on those winds of change come some very difficult challenges. No province, whether it be Manitoba or Ontario or New Brunswick or Saskatchewan or any province at all, is immune to the global forces that buffet all of us now; that force that transition; that force that change; that force governments to take up difficult challenges. These challenges are common property. They confront all of us as elected officials who sincerely seek, each and every one of us, to shape a responsive society and by doing that and through our work as elected representatives, to build a better tomorrow.

I believe this Budget responds to those changes and those challenges, and in doing so, illustrates our vision as a New Democratic Party Government. It builds upon the hard work of all Manitobans throughout the past four and a half years. When you reflect on what happened during those four years, and I've heard members on this side do so and I've not yet heard members on the opposite side indicate that those four

years were not much better in quality of life, much better in economic progress when compared with what's happening in the rest of the country, than were their four years when they were in government. The facts are that, indeed, we were able to better our province significantly during the past four years, and they had failed to do so under the Sterling Lyon Government. We have accomplished very much by working together.

There is much more yet we must do. You know, we've consistently had one of the lowest unemployment rates in the country. However, it's not the low rate or the percentage figures that are important. It is the fact that comparatively more Manitobans, more young people, more Northerners, more women, have a chance to be a part of our common vision. They have a chance to work, to help produce the wealth that fuels our economy and contributes to our growth. Our record of job creation is one of the proudest stories of our government over the past four and a half years. But that's not the real story.

The real story is actually thousands of stories; thousands of stories of Manitobans, young and old, male and female, through all parts of this province, working at productive jobs. The facts are clear and the facts are irrefutable. In April of this year, 27,000 more Manitobans were working than were working in the pre-recession period. That's the success story of the government of the past four years. Unemployment in 1986, in 1984, in 1983 on average was second lowest among all the provinces. That's the success story of the province.

While we have accomplished much, and we've accomplished it through it that collective effort of all of us, I said there was much more yet to do. As long as there is one individual, one single solitary individual in this province who wishes to work, who seeks work, who cannot gainful employment, then our work as legislators is not done and the goal still stands before us and the objective is still unreached and the potential is still there. As long as we have individuals who cannot find work no matter where they may live and no matter what their skills, if we can't have in place the policies and the programs that can provide employment to them and provide training to them, then we have work yet to do in this Chamber and work yet to do as a government.

The other economic indicators that have been used throughout the course of the debate, I think, are illustrated as well. More Manitoban sons and daughters are coming home. Our population growth during the period, 1981-85, was stronger than it has been since the 1920's. More Manitobans are coming home to more employment, to a growing economy, to an economy which will provide them with the opportunity and the security which they require.

One only has to compare that to what happened during the years when Sterling Lyon was Premier and the members opposite, many of them were in government, and we saw the population loss year after year after year in this province, to know that turnaround is a substantive one; to be able to compare what it is that a New Democratic Party Government does that brings people back to this province to jobs and to their families and to their homes, as compared to what it was that a Conservative Government did that had exactly the opposite effect.

You know, more employment, Manitobans coming home, a growing economy have resulted in more housing starts and more Manitoba families owning their own homes, to the extent that last year housing starts reached a seven-year high in this province. So we see confidence in the future of Manitoba being expressed by Manitobans coming home; we see confidence when they return, being expressed by the purchase of homes, long-term investments because they feel secure in their employment opportunities; and we see confidence overall throughout our province as our economy approaches record growth.

When speaking of housing, and as Minister of Cooperative Development, it would be somewhat remiss if I didn't mention, Madam Speaker, that in the area of housing co-ops in the Province of Manitoba, we have reached record levels of growth in the last couple of years as well. As a matter of fact, last year in Manitoba — (Interjection) — Well, unfortunately, I'm going to have to digress, because the Member for Riel suggests that we would have had a better record of cooperation, I believe — he can correct me if I'm wrong — under the Conservatives.

Madam Speaker, last year in Manitoba, we had over 40 new co-ops incorporated in the Province of Manitoba. That was the highest record of new cooperatives incorporated in one year in this province since the central registry was kept. The year before, we had over 30 new co-ops incorporated, and that was the highest record at that time. The year before, we had over 15 incorporated. Do you know how many we had incorporated under the Conservatives? Do you know how many we had in the Eighties? Two a year, three a year, five a year. Compare that to 40 and 45 a year, and there'll be more done this year. And he has the audacity to tell us that cooperatives survived better and grew better and prospered better under a Conservative Government. That's balderdash!

It's interesting that, given the statistics . . .

**A MEMBER:** You weren't there Gerry, J. Frank was though, it's his fault.

**MR. F. JOHNSTON:** That's right, I was. And I'll tell you about the co-ops that they did.

**HON. J. COWAN:** Well, the Member for Sturgeon Creek says, "That's right, it was" — and to what I am not certain he is referencing — but he does say he'll tell us about the co-ops. He tells us about the co-ops. Perhaps, he'll have an opportunity to put on the record why it was that the growth of cooperation and cooperatives in the Province of Manitoba was so dismal under a Conservative Government and has risen to such great heights under a NDP Government. I believe there is a reason for that. I don't believe that just happened, because things got better — (Interjection) — the Member for Riel says, let's go back to 1976.

1975, '76, '77, I can show him the facts. It went maybe 15 a year, roughly 15 a year in 1977, roughly 15 a year in 1978 and then, in 1979 and then in 1980 and then in 1981, you see the plummeting off to the low level of two or three co-ops a year, and then back up 15 again, 15 again, up to 30, up to above 45 and up beyond that in years to come. So don't let him suggest that

the records don't indicate anything, but very clearly that, under a Conservative administration in the last 10 years in this province, the cooperatives have done the worst that they have ever done in the history of this province, and it shall never happen again that way.

So the entire economy approaches record levels of growth from the cooperatives to the public sector to the private sector. Capital investment and spending in Manitoba is expected to increase by 8.9 percent in 1986 — (Interjection) — Perhaps the Member for Riel has a comment to make as well because, if the Member for Riel would look at the facts, he would realize that from 1978-81, the Conservative years which members opposite like so much to brag about, capital investment growth was one-quarter of the national average. In the NDP years, the last four years, capital investment in this province was seven times the national average and, indeed, in this year is expected, as I said, to grow by 8.9 percent. Our record of total investment in the economy, total capital investment growth from 1982-86, is the strongest among all the provinces.

So when we talked about nation-lagging under that particular party when they were in government, and nation-leading under this particular party, the New Democratic Party when we're in government, we know about that which we talk, because the facts are irrefutable. Think about that for a moment. Capital investment is the strongest of among all the provinces.

It's not the capital investment percentage growth that's important; it is not the fact that we increased by seven times the national average that's important; it is not the fact that they grew at one-quarter the national average that is important; but what is important is that capital investment, that growth in capital investment, means more jobs for young people. It means more jobs for Northerners; it means more jobs for rural Manitobans; it means more jobs for individuals who have normally been kept from the mainstream of our economy and not been able to pursue productive employment and wasted their lives through no fault of their own, but because there was not opportunity for them, and that is the tragedy of the Conservative years. It means a stronger future for our small business. It means new opportunities for working people.

If I were to talk about capital investment and not mention Limestone, I would be somewhat remiss. Limestone, now fully under way, will provide approximately 19,000 person years of direct and indirect employment, jobs for Manitoban, Madam Speaker. This \$1.9 billion project is fuelling the economy in such a way as to provide new opportunities, new chances and a fair sharing of employment for many Manitobans, particularly for Northerners.

You know, we've heard many criticisms from the Conservative Party and from the leader of the Conservative Party and the others about Limestone, generally, and about our hiring and training programs, specifically. I want to acquaint them a bit more with the facts so that perhaps, if they approach it from an unbiased perspective, they might gain a better understanding of what is actually happening in Northern Manitoba, but I'll do that a bit later in my speech, Madam Speaker.

Suffice it to say for now, that Limestone and its spinoff benefits, with over 80 percent Manitoba content, is helping to strengthen the entire economy. That brings

us to Northern Manitoba because the North with its vast natural resources, with its Hydro, with its forestry, with its mining, with the Port of Churchill, with its traditional economies of trapping and fishing and hunting is indeed a large part of the future of the province. This Budget and the spending plans of this New Democratic Government reflect our commitment to ensuring that the North remains a large part of the future of our province and prosperous under our administration.

Nowhere in the entire province is the New Democratic Government vision of our future more important and more clearly defined than in Northern Manitoba. Limestone, while it is the cornerstone of economic development in the North, does not stand alone. Jobs Fund projects in every community in the North have employed hundreds of Northerners, indeed, thousands of Northerners working together to build a stronger North. Whether it's Granville Lake, or it's Churchill, more Northerners are working today because there is a Jobs Fund in place. Let us not forget for one moment the criticisms and the constant carping about the Jobs Fund that we have consistently heard from Conservatives throughout the election, throughout the last Session, throughout this Session, and on and on and on, and as the Minister of Finance indicates, even today. Let us not forget what the Conservative Leader, the Member for Tuxedo said just a few days ago in this Budget Debate. He would cut the Jobs Fund by \$40 million. — (Interjection) — It's not the \$40 million that's important, just as it's not the record and the percentage increases in investment and the percentage decreases in unemployment that is important, but it's the effect. The effect of cutting \$40 million of Jobs Fund money will cut jobs throughout this province. It will mean that Manitobans who want nothing more than a fair chance to work will not have that opportunity, and that is why they're on that side of the Chamber as Opposition, and that is why we are on this side because we know those jobs are crucial. — (Interjection)

— it's interesting to hear them, particularly the ones who were here in '77 to '81, speak from their seats because the Tories have not changed at all since the Conservative Minister of Northern Affairs, at that time the Member for Swan River, in those dark days from '77 to '81, said that welfare in the North gave better value than job creation programs; that was their philosophy; that's what they said then; and that's what they believe now if you listen to them and the Leader of the Opposition say how they would cut back the Jobs Fund by \$40 million. Back to welfare, get away with the jobs, undo the jobs, better to have people in the North sitting on welfare and wasting away than to have them gaining new skills, building stronger communities, improving infrastructure through productive work; that's a Tory philosophy.

The construction of Limestone is creating new opportunities for thousands of northern workers and hundreds of northern businesses. We listen to them talk about how our policies, our training and our hiring policies are failing the North.

**A MEMBER:** They don't like success.

**HON. J. COWAN:** Well, the fact is that since construction of Limestone began, over 50 percent of

the workers on site have been northern residents, over 50 percent have been northern residents since the start of the construction. The majority of those Northerners have been of Native ancestry, many of them having received job ready training through Limestone Training and Employment Agency Programs at simulated training sites in Thompson and Lynn Lake, and through community-based programs from communities all over the North; from Split Lake to Shamattawa, to Tadoule Lake, throughout the entire North, community-based programs are training people to work on Limestone and beyond Limestone to gain productive employment elsewhere or to return to their communities with those skills that will be put to use building stronger communities throughout the North. No longer will they have to call in the electrician; no longer will they have to call in the plumber; no longer will they have to call in the skilled worker because there aren't skilled workers in the community. They will have those skilled workers there and through that development of skilled trades and skilled workers, where none existed before, more will come. Over a period of time, we will see the type of change which all of us, each and every one of us yearn for those communities in Northern Manitoba. That's why what we're doing is so important today. Not only the fact that we have over 50 percent northern residents on site now working, but the fact is we're building for the future.

As I said before, the economy in Northern Manitoba goes beyond Limestone. Our repayable loans to Sherritt-Gordon Mines; that meant that hundreds of workers in Leaf Rapids are working today, are feeding their families, are building their future. They might not have been able to had it not been for an NDP Government of the Day that provided them those loans. Those are the same loans that the Conservative Deputy Leader in 1983 said were wrong, said we should not be doing and publicly opposed. Had we listened to them when they provided us with that alternative suggestion, where would Leaf Rapids be today? — (Interjection) —

What about Lynn Lake where we have massive exploration ongoing right now with some very good potential finds in the area because Manitoba Mineral Resources is there working with the private sector cooperatively to find mineral resources to continue economic activity in that part of the province? What did they say about Manitoba Mineral Resources in the past? If we had listened to them in the past, where would Lynn Lake, Leaf Rapids and the other communities that are ultimately going to prosper because of that work be, not only today, but in years to come?

Our commitment, the New Democratic Government commitment, to the future of Northern Manitoba goes beyond job creation today and training for tomorrow. It speaks to a secure and a healthy future as social services and health and education programs are maintained and enhanced. From the nursing station in Pikwitonei to the hospital addition in Gillam that's being completed now, accessible health services are an important part of our vision for the North. The air ambulance which I believe is one of the proudest achievements of the northern MLA's, each and every one of them that worked so hard on it in the government during the past four years, it is now fully operational,

and it's saving lives, and it's making for better health care and more accessible service for Northerners, and it's doing so by providing the type of service which we knew all along was crucial to Northerners, and when in Opposition spoke for four years straight attempting to have members opposite take the action which was required and they refused to do so.

**MR. D. ORCHARD:** I wonder if the member might permit a question.

**HON. J. COWAN:** Several if necessary.

**MR. D. ORCHARD:** Could the Honourable Minister go into his extremely good memory bank to the days when he was in Opposition, approximately 1979, and recall after the crash of the MU-2 which was then the medical air evacuation aircraft, what action he himself personally supported the then Minister of Highways and Transportation in purchase of a citation air ambulance, jet-powered, faster, safer, and much better at providing life support to northern Manitobans? Could he indicate why he supported that then?

**MADAM SPEAKER:** Could the honourable member please check Beauchesne 357(I), "Seek for purposes of argument, information on matters of past history"? The question is out of order.

**HON. J. COWAN:** Madam Speaker, I accept your admonishment that the question is out of order, but I would like to perhaps tell a bit of history. The Member for Pembina suggested that we supported their action. The fact is that there was a Private Members' Resolution introduced in this House by myself calling upon the government to do several things, one of which was to purchase an aircraft, but beyond that was to staff it with a fully-trained complement of nurses and pilots that would be on call all the time, stationed with the plane, to have a plane that was suitable. He knows full well the criticisms he received on the Citation that was originally purchased, and he knows full well the congratulations that we have received on the new Citation, and the fact that it is much better suited to perform the service and, as a matter of fact, has been written up by Cessna and other air magazines as being one of the most innovative and one of the best services in the entire country, if not on the hemisphere.

**MADAM SPEAKER:** The Member for Pembina on a point of order.

**MR. D. ORCHARD:** Since the member is so generous with accepting questions, I wonder if he might accept another question.

**MADAM SPEAKER:** Excuse me, the Member for Pembina, you do not ask a question on a point of order.

**MR. D. ORCHARD:** Oh, Madam Speaker, would the Honourable Minister mind if I asked him another question since he is so cooperative today?

**HON. J. COWAN:** Madam Speaker, could you indicate how much time I have and that would certainly . . .

**MADAM SPEAKER:** The honourable member has 12 minutes remaining.

**HON. J. COWAN:** If I have enough time, I would accept a question; if not, I'd be pleased to speak privately to the member and refresh him on the history of the day.

So that air ambulance is now fully operational, it is a New Democratic Government initiative, and we're very proud of it. We know that northern Manitobans are very proud of the work they did to make it a reality under a New Democratic Party administration.

New school additions in communities like South Indian Lake are improving educational opportunities for Northerners. Major construction activities on northern road systems have brought about improved and safer roads in the past four years. New day cares, expanded recreational facilities, innovative educational programs, new water systems, a new future for the Port of Churchill, the list goes on and on. These are all part of the New Democratic Government vision of the North, a North where the economic prosperity of today results in social programs and a brighter future for tomorrow, a North where each and every Northerner, Native and non-Native alike, young and old, men and women, can reach their full potential.

Yes, we have accomplished much over the past four years, but there is much more yet to do, and this Budget and the expenditure plans of the government for the upcoming year chart that course.

I'd like to talk a bit about the evolution of the Conservatives over the past several years, because it's been quite interesting to watch. Leading up to the election and throughout the 35-day campaign, they played the role of the great imposter. They spent a lot of time and a lot of energy telling us that they were not really Tories. Remember that, Madam Speaker? We're not really Tories. We're more like New Democrats than Conservatives. Now there was a reason they were saying that. They were saying that because the New Democratic Government had done such a good job of governing the province for four years, that they knew they would never be elected as Tories because people remembered Sterling Lyon and what they did from 1977 to '81. They felt that if any gamble was worth the risk at all, they would try to be pseudo New Democrats instead of neoConservatives.

Now, they spent all this time and energy telling us that they were not really Tories, at least they weren't really like the Tories that we all knew Tories to be. They weren't like the Ottawa Tories — no, not at all. They weren't like the Toronto Tories, the big blue machine, they weren't like that. They weren't like the British Columbia Government. They wanted the public to believe that they weren't Tories at all. They wanted us to believe that they were really New Democrats in waiting, born again New Dems, the Conservatives opposite. But they could not fool Manitoba; they could not fool the electorate. And so after the election, from the great imposters before the election, they turned into the great apologists after the election. They are not particularly discriminating about whom they apologize for.

The Leader of the Opposition spent the bulk of his Throne Speech reply apologizing for the Federal Government; so did members opposite. Do you hear

them? Time after time they rise in their place and what do they say? Everything that happens is because the Federal Government is doing things right, and everything that goes wrong is because the New Democrats in this province are doing things wrong. A bit of a difference in what they said in the election, from the great impostaors to the great apologetics. But they didn't stop there. No. The Leader of the Opposition, in his reply to the Budget speech, went from apologizing for the Federal Government to apologizing for the banks and the large corporations. So they apologized for their friends in Ottawa, and then they apologized for their friends on Bay Street, and they had just one more transformation to make to come around full circle to the old-line Conservatives we always knew they were.

You know, it's interesting, I have to digress for just one moment, Madam Speaker. I thought that they really outdid themselves when the Member for Brandon, the Conservative member, stood up and apologized for, came to the defense of, those who were going to be hit by our increase in the personal license plate fees, said we shouldn't be doing that. Now they said we should raise all sorts of money to do all sorts of things — and I'll get to that in a moment. But they even stooped to apologizing for those who would have to pay more for their licence plates. So they came around full circle, and they started suggesting, finally, after the election, that what is the most important issue in Manitoba?

**A MEMBER:** Expo.

**HON. J. COWAN:** Well, not Expo, not health care, not the educational system, not social services, not jobs, not employment, not job creation, not investment, but the deficit. The deficit is the most important thing in Manitoba. Conservatives say the deficit is more important than the creation of jobs; Conservatives say the deficit is more important than the expansion of social services; Conservatives say the deficit is more important than all of those things that government has to do, except for the things they want government to do.

It's interesting to listen to their speeches on how they are going to eliminate the deficit and, at the same time, increase government spending, because now they are the true Tories. Decrease, slash, gone with the deficit, but increase government spending to those areas where they want it. These are the magic moments of the Budget Debate. Intersperse-like political pixie dust throughout their speeches, their individual contributions they say: the deficit is horrible. Conservatives would eliminate the deficit by spending more on agriculture.

**A MEMBER:** That's a good trick.

**HON. J. COWAN:** That's a good trick. Little magic moments, Madam Speaker. The deficit is horrible. Conservatives would eliminate it by cutting taxes and increasing spending. The deficit is horrible. Conservatives would eliminate it by spending more on southern roads.

I've heard that Doug Henning, when he is visiting Winnipeg, is asking for a personal meeting with the Leader of the Opposition and the Caucus to find out

how it is they would expect to make the deficit disappear by spending more. Because if they can tell him how they are going to do it, he's going to include it in his act right after the tigers disappear.

So they have come full circle. The deficit is horrible; they're going to reduce it. They're going to reduce spending, just like the great magicians of old, the court alchemists that make lots of smoke and puffery but produce little results.

You know, I think they honestly believe what they are saying. I think they honestly believe that they can have it both ways. As a matter of fact, they have told us that they can have it both ways. It's interesting to listen to the Member for Niakwa, when in his speech he said, "I know the Minister of Finance is saying," which he was from his seat at the time, "you can't have it both ways." What's a Conservative response to, you can't have it both ways? But, Madam Speaker, I can have it both ways, I'm in opposition, and I can have it both ways, Madam Speaker. So they sincerely believe that they can reduce the deficit by increasing spending. He wasn't alone.

You know, it's interesting. Even the Free Press suggests that the opposition of tax but fails to suggests options; that, in fact, they have neglected their duty. And when she talks about the Opposition, she includes the Liberal Party in this as well. They have neglected their duty as opposition to provide alternatives. — (Interjection) — well, I am asked by members opposite if I read their leader's speech. Yes, I did.

I read the speech where it confirmed to me that they had come closer to where he talked about the deficit and debt reduction at least five times as much as he talked about job creation and employment and at least 10 to 15 times as much as he talked about health and social services, which shows me where the priorities of the Conservative Government are on the deficit reduction and not on human services as the Member for St. Johns says is so very important to our province and the people of this province.

But why aren't they taking a position? Well, again, the Member for Brandon West suggests in his speech, after coming to the defence of those who would have to pay more for their luxury licence plates, he says: "As a member of the Opposition, it is my right to comment on the Budget and not necessarily to take a position."

That's obviously a caucus decision, because they have all exercised the right to comment on the Budget and not take a position to the extent that the Free Press has noticed, to the extent that everyone in this Chamber has noticed, and to the extent that the public of Manitoba will notice now and will remember when it comes time again to vote the New Democratic Party back in government and to keep them in opposition because they have lived so long in opposition that they have forgotten how it is one provides reasonable solutions and alternatives to the betterment of this province.

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

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

I am always delighted to hear the Member for Churchill with his eloquent waxing, basically what it is.

He takes things and shines them all up and makes them sound good because of his training that he's had in the socialist document. But as I've told him before, he's done Chapters 1 and 2, and he forgot Chapter 3, he didn't read it because, obviously, the presentation he makes nobody told him in that course that it's phony.

So, Madam Speaker, I would like to say that he talks about the fact that the Progressive Conservative Party and the members on this side of the House have been concerned and have been talking about the deficit that has been presented to us this year, the deficit presented this year that has added on to previous deficits that has put us into a financial situation that is very close to disastrous. Every economist that read the Budget and looked at the Budget said so. They said that we were heading for a very, very tough situation as far as the economy of the province is concerned if we don't start taking a look at reducing the deficit in this province.

Madam Speaker, the previous member and all of the members talk about jobs. Are you really expecting a lot of investment from business when they know they're going to have to be taxed some time to pay off the deficit that this government has brought forward? I don't think so. The main investment that we have, and the Royal Bank mentioned it, is all based on Limestone, and the small businesses that are going at the present time and the housing and everything is there because of the low interest rates that were brought by the Federal Government. Now it's as simple as that.

I remember the First Minister getting up one time and telling us how he was so happy in 1983 because bankruptcies had levelled off a bit — or, pardon me, 1984 bankruptcies levelled off. But he didn't add that they had happened because the interest rates were coming down in this country and everybody was starting to be able to make it because they could then invest at a reasonable interest rate that would give a return and, when they invest, jobs are created.

Well, Madam Speaker, they don't seem to worry about that. This particular government or this philosophy is very happy to have things in not a good financial state. This philosophy basically is one that says that they don't want any large investment other than government spending, and that means that they give loans to small business, and if they have small business moving along the small business will be dependent on government spending. And, Madam Speaker, that is called control.

Madam Speaker, that is the philosophy of this government, and those new members who are shaking their heads better go back in the history of Hansard, etc., and start reading about two-and-a-half times one and start reading about some of the speeches that have come across from the other side regarding the philosophy of the NDP Government in this House.

There has been a lot of chest-beating about the fact that you're the government and because our members have been speaking about the fact that you're here because of your misleading presentation to the people of the Province of Manitoba. We always get the reminder, but you're government, and the Premier is very proud to stand up and say that he's government.

Well, the Premier shouldn't be proud. He lost five seats.

**A MEMBER:** But he won the election, Frank.

**MR. F. JOHNSTON:** That's right, he won the election. He lost five seats. Howard Pawley lost five seats.

**MADAM SPEAKER:** Order please. We do not refer to members by name.

**MR. F. JOHNSTON:** Oh, Madam Speaker, okay, the Member for Selkirk lost five seats.

So the other side of — (Interjection) — that's right, and the members on this side of the House, we gained. We gained seats in the last election. The Member for Selkirk lost seven seats, nearly seven points in the popular vote compared to the last election.

**A MEMBER:** That was five seats. Now it's seven.

**MR. F. JOHNSTON:** I said seven points in the popular vote since the last election. And he comes in and he says the NDP Government is there and he tries to take credit for it. Personally, the Premier basically lost the NDP the ground that they lost in this particular election

**A MEMBER:** Thirty over here and 26 over there, Frank.

**MR. F. JOHNSTON:** That's right. So, Madam Speaker, that's the pure simplicity of the thing, and they stand around and they now have a government that is the same popular vote in the province as the Opposition; in fact less popular vote than the total Opposition. So they say that they are there because they won. Yes, you won. They won, Madam Speaker, but they lost seats, they're sitting in a precarious position, and they present a Budget to this House, the Minister of Finance presents a Budget to this House which actually shows a fear of doing what has to be done in this province for the benefit of people of this province.

Madam Speaker, as I said, people won't invest in this province because they will be afraid of having to pay the deficit off with taxes. But the previous member, when he was speaking, he used his eloquent words. He said that people will be able to reach their full potential in the Province of Manitoba.

How can the young people, when they grow up in this province and start working, start to have their full potential or appreciate their full potential when their full potential to earn money is there but half of the money or three-quarters of the money will have to be taken away from them to pay the deficit that is built up by this government?

Really, we are talking take-home pay and who is going to pay this deficit? Let's have it. Let's have your next speaker get up and tell me who is going to pay the deficit and who pays the taxes in this province.

Madam Speaker, there is only one taxpayer. There is only one taxpayer and that's the people on the street; that's the working people; that's everybody in this room because every time you tax the corporations, every time you put this tax onto the corporations it affects farm machinery, it affects all of the things that are bought by farmers and the people of Manitoba, the ordinary Manitobans, which is a terrible thing, as we have all said. The ordinary Manitobans have to pay that bill. There is nobody else.

Madam Speaker, these people who are in government, who sit there so piously in the corner

chattering, the first speech he made was to go outside and go into the pockets of the people of Manitoba for more money for MLAs, is the person that I am talking about. He is not paying the taxes. He is paying it for the salary he gets from the government. And who pays that salary? The people. They forget about the people.

**A MEMBER:** That's right, Frank. They forget about the people.

**MR. M. DOLIN:** That's just not true.

**MR. F. JOHNSTON:** Madam Speaker, I heard the Member for Kildonan say it's not true and I really can't comment on him. He didn't say anything about the Budget; he just wants to control the media and the press in this province. That's really the benefit that we've had from him, just because he didn't like the idea of somebody saying — then he jumps up with a question today to try and protect the board members that have maybe been appointed, hopefully that the government will pay the fine instead of the guy who created it. If he wants to look back in Hansard, I asked that question when it happened: Who would be responsible if the government — if he lost? Let's find out who is responsible.

**A MEMBER:** The taxpayer. Those guys will milk the taxpayer for everything.

**MR. F. JOHNSTON:** Yes. So, Madam Speaker, the job potential in this province is going to go down — there is no question about it — because of the taxes that companies have to pay, because they know there is a big deficit that has to be paid off; and then you are going to have the people of the Province of Manitoba, and the young people who are coming up today, having to pay a large portion of their income to pay off the interest or the debt that you fellows have incurred. What is it, nearly \$80 million of the new money this year is going to be going to interest?

Then we have the tremendous interest payments that have to be paid off. You know, as my colleague from Lakeside said, there is nothing worse than going out and working hard, or having young Manitobans work hard, to pay the interest on the debt that you fellows have built up without even caring about it.

We had the previous member standing up and saying that what we talk about or are concerned about is the deficit and he criticizes us for being concerned about it. — (Interjection) — There we have the Member for Ellice. I kind of feel sorry for him. He did all the work along the creek when he was on council and then the Minister takes credit for it all. I really do feel sorry for you because that's really what happens in your party. Anyway, Madam Speaker, as I say, there is only one taxpayer.

Then there is the blaming of the Federal Government. Now, I want to quote what I wrote down yesterday morning when I heard the Minister of Urban Affairs on the Peter Warren show.

(Mr. Deputy Speaker, C. Santos, in the Chair.)

He was referring to the city of Winnipeg. You know what he said, blaming somebody else is bad management. He said that about the city of Winnipeg.

Well, what does he say when he blames the Federal Government? An entirely different story. He doesn't say it's bad management when you blame the Federal Government but he says it's bad management when the city wants to try and blame the province. That's the type of thing we have learned to expect in a very short time from the Minister of Urban Affairs.

But you know, that wasn't all he said — I quickly wrote it down and I have asked for the tape so I'll be corrected if I am wrong — but that wasn't all he said. He said, "Solving a problem by asking somebody else to throw money at it is not a good policy." He did. Solving a problem by asking somebody else to throw money at it is not a good problem.

You know, I just wonder if he said that when he asks the Federal Government to throw money at every problem that you have, because everybody on that side of the House, every Minister that stands says they could do better if the Federal Government would throw more money your way.

The most interesting thing he said at the end, they were talking about people and he said, I judge people by what they do, not by what they say. I would say if the Minister of Urban Affairs would assess himself on that basis, he would be pretty ashamed of himself.

He also spoke about the procedures in the House. He said, I've been there for nearly three weeks and I sat last Thursday and listened to three people speak and he said they sounded as if they had to speak for 40 minutes whether they wanted to or not, and we're not doing much business in the House.

I wonder if he has spoken to his House Leader. This is the only time, or the last three Budgets, I believe — the Throne Speech came down and years ago we were presented with the Estimates. We got down to the Business of the House. We had bills coming forward. We got down to the business of the legislation and then we would have a Budget; we would have the Budget Debate; and we would carry on through the Session.

It's his House Leader — your House Leader — that has decided to have a Throne Speech Debate for eight days, then go into the Budget Debate for eight days; and now he wants to go to Interim Supply which, who knows how long they'll take because you can speak because it's the Estimates; it's wide open again. Where is the Business of the House? Where was the Business of the House on the 22d of May, Thursday afternoon, before the Budget? We had to adjourn because there was nothing. And he has the gall, and many of you have the gall, because I have heard you say it, and some of the new members have said it — we're not really getting down to business in this House. Some of our new members have said it and it all sits on the shoulders of your House Leader. He runs the House. He operates the House. — (Interjection) — No, Mr. Deputy Speaker, the Minister of Finance is trying to put words in my mouth, which is typical of the NDP. I never said that I agreed to less. I told him how it used to fall, how we got the business done using the same time on the Throne Speech, the same time on the Budget, and the House was moving more smoothly and we were getting things done. It is strictly the House Leader on the other side who has decided to make this House boring for the new members because the only thing that we have . . . well, for the new Member for Elmwood, he thinks it is. . . . because the only thing

we have done is debates and we've had two bills presented to us.

There is no time to give second reading on bills, Sir. There are no rules at the present time to give second reading to the two bills we have, and there probably won't be if we go into Interim Supply, so speak to your House Leader if you want to get down to the business of the province. I doubt that it'll do any good because he does what he likes. He's probably the most powerful man in Manitoba at the present time. There's no question about that. If you ever saw the Premier following him down the hall, holding on to his coattails, and every time he turns around and beckons to the Premier, off the Premier goes. There's no question about that.

You came forward in this Budget, Mr. Deputy Speaker, for \$10 million for loans for small business. You know, my leader mentioned that small business does not need any loans at the present time. The Minister of Business Development and Tourism stood up, to answer a question and said, I have no criteria; I'm going to sit down with the business people to find out how I'm going to work it out. We have a program that's been announced. We're nearly halfway through the fiscal year at the present time, which businesses work on, we're going to be sitting down having meetings — and I'll tell the Minister what they're about to say. They're about to say that we don't need to borrow any money. Why don't you get some programs that will give us some assistance to expand and to have new businesses start up and create jobs?

Mr. Deputy Speaker, the previous Minister of Business Development and Tourism talked to me one night out in the members' lounge about the Enterprise Manitoba Program, Section 6 it was, where we had a program where \$5 million, of which the Federal Government paid 60 percent; we paid 40 percent. It was \$5 million in five years and we put over 200 people into business in the rural area of this province and the success rate ran around 80 percent. He said, you know, he kind of liked that. He didn't know how he could work it with the feds and what have you, but if he takes — don't take the \$10 million, take \$5 million of this \$10 million and put it into a program like you had before which was proven successful and has been copied by other provinces, and created more jobs in the rural areas than were ever created before and started more businesses.

It could take the other \$5 million and do something about loans in the service area or something of that nature. I make that suggestion because at the present time, they don't know how they're going to spend the \$10 million. They haven't got a clue. Quite frankly, the Minister doesn't know that much about business. She's going out there and she's going to find out. She will be told what the business people want.

Mr. Deputy Speaker, the large businesses coming to this province — I can remember the previous Minister of Finance, he stood right up there one day and he criticized me. He said, where is your program? What is your policy? What are your criteria to bring large businesses to this province? I told him that we assessed them individually when we were working with companies and felt that it was a business that would create jobs in Manitoba for a long time and would be a benefit to Manitoba and the assessment was on an individual

basis. Today, I find out that's the way the Jobs Fund works. It has to be flexible; it has to be on an individual basis and it has to work that way. That's right, but that was the criticism. The previous member was standing up criticizing us and our policies, etc., and now all of a sudden we find that they're using our type of policy when it comes to working for and looking for big business.

They talk about the economy when we were government. I have produced this letter — and I've tabled it and I think I read some of it during the Throne Speech Debate — which tells us of a report to Leonard Evans by his Deputy, Mr. Vernon, and I have the reports. I tell you that the reports tell us that in 1975, '76 and '77, we were never in a more devastating situation as far as jobs and investment, in the Province of Manitoba, in the country.

You all talk about being behind for four years. Yes, we were behind, but we were moving up instead of moving down and your reports say so. We took it from a level of dropping and started to move it up and we couldn't possibly keep up with the resource provinces of Saskatchewan, Alberta and B.C. at that time because their percentage increases were just tremendous.

I might say, when you talk about staying with the Canadian average at the present time, the reason they're staying with the Canadian average is because Alberta, B.C., Saskatchewan and Ontario have dropped a bit, which puts Manitoba in a much more favourable position with the Canadian average, and anybody who reads statistics knows that. You don't have to be a mind reader; you don't have to be an economist like the Member for Brandon East, to do it. You just have to be able to look at commonsense figures and you know the reason why the figures were like that at the present time.

I'll get off that because it's been a very, very artful type of presentation by many of the members opposite to try and get us debating about the old days when today is the problem; when today we have a situation in Manitoba that is going to be harmful to generations to come. It's going to be harmful, Mr. Deputy Speaker, to attracting businesses to this province, to create jobs, all of these things are harmful.

Then, of course, we have the situation of the farm economy in the Province of Manitoba. I have said many times, I was born and raised in Winnipeg. I think I'm not using the definition of the Webster Dictionary; I think I'm an "ordinary" Manitoban. I was born here, grew up here, worked here, trained here, all the whole bit. I'm a commission man; I don't ever ask anybody to pay me a cent unless I earn the commission. There's no way around that.

But anyway, Mr. Deputy Speaker, we talk about these ordinary Manitobans. All of Manitoba knows that the farm economy's in trouble and certainly anybody that lives in Winnipeg hasn't lived there long, or they've moved there, or they have a bad memory if they don't remember that Winnipeg is here because of the farm economy of the Province of Manitoba. That was its original reason for being here and agriculture is still our No. 1 industry and Winnipeg is supportive of our No. 1 industry.

From supplying that industry, we grew into a very good manufacturing centre that supplied a lot of Western Canada, but we're losing that at the present

time. What happens with this Minister of Agriculture, he stands up and he talks baffletalk. I say to the Member for the Interlake, he came in the House when I did, 16 years ago, and boy, I sure hope I'm not bumbling like you are these days.

Mr. Deputy Speaker, I will tell him this, that the Western Grain Stabilization Fund of 1987 is approximately \$10 to \$12 — let's take \$10, that's the lowest one. The two-price wheat or higher domestic wheat price of \$11 a bushel would increase the total of the income by about \$12 to the farmer. We're talking about getting rid of that \$30 drop in the price of wheat that the farmer is getting. The removal of the excise and federal sales tax farm fuels represents about \$2 a bushel and you're up to about \$24 a bushel. The Minister of Agriculture, I've heard him keep saying what the Federal Government is doing doesn't mean anything, it's trivial. I'll tell you, it's added up to about \$24 a bushel. — (Interjection) — Well, Mr. Deputy Speaker, I just read it to him. Do you not agree that that's what's going to happen? Well then, you don't know your job then because it's very factual.

Mr. Deputy Speaker, if he would turn around — let's put it another way — if he would come to his senses and take the education tax off farm land and do something to lower the interest applying to loans to the farmers, you would find that they would make up that \$30 and they'd be where they were last year which is about a break-even point and they could make it. But this Minister of Agriculture has chosen to ignore everybody else's reasoning, like Saskatchewan and Alberta for helping their farmers. He's chosen to ignore what the Federal Government has done because they believe the farmers need help and he comes along with some more loaning of money to farmers. I go back to the philosophy of the NDP Government, that is the philosophy of owning the people, having them beholden to you because they owe you money and, Sir, the man who pays the piper calls the tune. They tried that when they were in government from 1972-77 — (Interjection) — '69, pardon me, to '77. They tried it. They tried to get ahold of the farms with the farm loans. All of the farm programs that they had were designed to take control over the farmer in the area. — (Interjection)

**HON. B. URUSKI:** . . . kept that program in place. Our farmers would . . .

**MR. F. JOHNSTON:** Yes, a lot of farmers — (Interjection) — You know, the Minister of Agriculture is yapping away at the present time to a guy that's from the city who roams around this country on business continually and talks to many farmers, and I'll tell you they don't have to tell me about them; they know I'm from Winnipeg; they know I'm not a farmer, but they say he is absolutely dull when it comes to the farm economy of this province. Those are their statements to me. — (Interjection) —

Mr. Deputy Speaker, the roads in the province, the Minister of Highways with the roads, he probably has to cut up from Neepawa, No. 5. He doesn't go between Neepawa and Minnedosa because it's so damn bad you have to have your . . . the article about "Keep Your Lights On for Manitoba for Safety" and I agree

that everybody should do that. It's a safe way to drive, but in Manitoba it's because of dust and bumps that you've got to keep your lights on in this province. His highway situation, and the talk of the people throughout the province about his highways, is just ridiculous.

The chatter on the other side, and as I said, I've been a commercial salesman and in sales most of my life, and I know the sales people. They leave Winnipeg, they go out in the country to get their order books filled up — they're not getting them filled up like they like to at the present time because the farm economy is having a tough time — they drive all over this province and they come back and they meet usually in the pub on Thursday night or some Saturday afternoon and get together, and they talk about the roads in this province and they don't talk highly about the roads of this province. Mr. Deputy Speaker, it's easy to bury your head in the sand. You don't have to go very far on the highways in the Province of Manitoba to find out that they're in desperate shape.

This government has, as I mentioned, no plan to have the — (Interjection) — you should be so lucky as to be one. I don't know of anybody that would hire you. — (Interjection) — I have — (Interjection) — Yes, yes. I doubt it. He doesn't want to go broke. Mr. Deputy Speaker, the first person that hires that gentleman because he'll walk in and say I want \$10,000 for my own office; I want an expense account, but I don't want to pay for it; I want the people to pay for it; I want you to pay for it.

Mr. Deputy Speaker, the program or the incentives or whatever they're going to do to bring business to this province — back in 1981, during the election at that time, the Minister of Community Services who was running at that time and became the Minister of Economic Development and Tourism, made the statement when she was asked on a television show during the election campaign why the government wouldn't have to raise taxes to do all of the promises that they said they would do. You know what the answer was? The answer was the NDP representative, now a Cabinet Minister, denied the necessity for increased taxes. She told the people of Manitoba that monies would be raised through public investment. Now, we've had a great profit from Flyer. We've had a great profit from McKenzie Seed. We haven't raised a plugged nickel on investments to bring the taxes down in this province. I can tell you it's rather surprising because we were going to make so much on those investments. What happens we turn around and we have to give or get somebody to pay us to take the Flyer Industries and, quite frankly, I'm the one that suggested it. The young people and the people of this province could never have afforded to keep it for the future.

(Madam Speaker in the Chair.)

I heard the statement about Autopac making money and I quite often hear about the fact that Hydro makes money, and telephone makes money, or those. When you're the only game in town and you have to buy from it, you should be able to make money. It's very surprising Hydro doesn't. As a matter of fact, if I had a business and I had the authority to tell everybody that they had to buy my product, I think I would make some money too. The Member for Flin Flon gives me his great economic philosophy about Autopac making money when all you have to do is sit down here and say —

(Interjection) — all you have to do is pass legislation here and you have to buy it; there's nowhere else you can buy it in this province. That's simple. Of course, that's the philosophy of this government, eliminate the competition. There's no problem about that.

Madam Speaker, the philosophy of them to make money is — (Interjection) — oh, I heard somebody say what about mergers. If you don't like them, why didn't you stop Burroughs from taking over Sperry in Manitoba just two weeks ago? If you don't like it, do something about it. In fact, I doubt if your Minister of Industry and Commerce even knows that it happened.

The hate that's on for bankers, for presidents, for chief executive officers, you know, I don't know, if we take the definition that I like of an ordinary Manitoban and a guy grows up like the Member for St. James who is a lawyer, who's invested in businesses and made money at it, like many of the people on the other side who have made money at it, and hire people in this province, live in the province, pay taxes, the whole bit. Why isn't he an ordinary Manitoban? But he's hated, because he is an entrepreneur by this government.

I think he's hated because there is a jealousy for them, quite frankly. I think he's hated because of a socialist philosophy that is dyed in the wool in the members on the other side, and they're going to do it one way or the other. They are going to get this 2.5 times one, one way or another. There is no question about it. I sometimes wonder at some of the members over there accepting that type of philosophy, but it's pretty obvious that they all have.

Well, Madam Speaker, I just want to impress on the Minister of Finance — (Interjection) — well, I heard the champion of the mosquitoes over there. I would like to impress on him that I have always had a very great respect for the way he operated his departments, I've said that before in this House. I think he must be working very hard, because there isn't a question he has been asked today in committee, and so far in the House that he hasn't had an answer for, or tried to give an answer to, and done a pretty good job.

But I say this to him. Don't let down the young people of this province. Don't let down the people of this province by having a debt over their head that they can't handle. Think of yourselves in your own homes. You don't even go home and you don't smile at night; you don't enjoy weekends; you don't enjoy anything when you have a big debt over your head. There is no future for the people in Manitoba with a big debt over their head, because they have to pay that bill.

I say to the Minister of Finance, he's got a responsibility to see that there is some program put forward like the Federal Government — you can criticize your Federal Government, but your Federal Finance Minister put forward two Budgets with a program to get out of the woods in a big way. You have the obligation to come forward with a program to take this province out of debt.

Thank you.

**MADAM SPEAKER:** The Honourable Minister of Urban Affairs.

**HON. G. DOER:** Madam Speaker, it's, indeed, an honour to rise and speak on the Budget presented by

the Minister of Finance, which I feel is an excellent Budget, building upon the mandate that was established on March 18th, building on the Speech from the Throne, building upon the priorities of the government to have a balanced approach between the social goals of the government and the economic realities we face. I think this Budget builds upon our strengths, which is key.

The Member for Pembina has probably never read the book, "The Next Canadian Economy," because he's too busy being back in the past Canadian economy. But if he were to spend the time to read the latest edition of "The Next Canadian Economy," written by Dianne Cohen and Kristan Shannon, he would find that paragraph after paragraph, chapter after chapter, they talk about the leadership moving into the 20th Century provided by one province, and one province alone, in terms of economic cooperation, in terms of an intelligent investment base; they talk about Manitoba.

Rather than reading the old economic theories of Adam Smith, I would really refer this book to the Member for Pembina. I think he would find it a very very useful contribution to his lack of intellectual abilities to grasp our economic situation.

This Budget builds upon the strengths of this province, the Limestone development, the North Portage, the construction you see as you leave this building, the construction of homes in our Winnipeg and other Manitoba communities. It builds upon the employment situation which has been, in the last four to five years, the second-lowest or lowest in Canada. At the same time, it builds upon the social priorities of this government.

I have had the opportunity to travel to other provinces in my previous job. I think it's absolutely tragic, Madam Speaker, that in the Province of Alberta with \$16 billion in their Heritage Fund, the Province of Alberta had an increase in the poverty rate in the last year, while in the Province of Manitoba, with our modest resources and our intelligent, cooperative economic approach, was one of the only provinces, if not the only province, in Canada, to have a decrease in the poverty rate in the same year. That's what I mean in the twin objectives between the provinces.

Again, this Budget, in an economy that is reflecting the kind of cooperation between sectors in our economy that is so necessary as we move into the 21st Century, is a Budget that is a balanced Budget. The balanced Budget.

**MR. D. ORCHARD:** It's a sweetheart deal.

**HON. G. DOER:** Listen, you talk about sweetheart deals, the Member for Pembina. The highest wage increases in this province were in 1981 when members opposite let the pursestrings go totally out of control, doctors getting 15 percent wage increases on 100,000 a year. So the members opposite should remember, because I sat across the table from both parties, and I know the facts.

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

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

All members will have an opportunity to debate. Could we please hear the honourable member who is speaking?

Tuesday, 3 June, 1986

**HON. G. DOER:** This Budget is a true reflection of a balanced approach. Now I find it's rather interesting, Madam Speaker, that prior to the election of the 18th, we had these two documents, the Sunday documents, deficit in stereo. I want to know how many members opposite helped write this big blue document from Ontario that they produced. Did the member opposite, the Finance critic, help write these documents. Did you help write these documents? Did the Member for Pembina write these documents?

**MR. D. ORCHARD:** I wrote it, tooth and line, boy.

**HON. G. DOER:** Tooth and line. Well you compare that to the speech the Member for Pembina just made the other day, where all he talked about was deficit, deficit, deficit. Did you see deficit mentioned in these documents? Not at all, spending, spending, spending, payroll tax, \$116 million increase in our deficit; Autopac, another \$20 million increase in our deficit; Hydro cut, \$35 million increase. When you go on and on, you get the figure that we talked about that the party opposite is the party of the \$800 million deficit if we were to take these documents and add up the totals. Remember these documents.

Now we have a balanced approach. The deficit is going down . . .

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

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

**HON. G. DOER:** Well, I have to speak over the rabble.

I am proud to be a member of the government with a Budget like this that increases money for priority areas, such as, agriculture, 21 percent; health care; education; and at the same time, we maintain the essential services in the province and, at the same time, we're able to decrease the deficit on behalf of all Manitobans, a very very positive and balanced approach.

The Budget, Madam Speaker, provides as I stated. It also maintains an increase of 6.9 percent in the expenditures for capital investments. It provides a continuation of the Jobs Fund moving more and more, as it has in the past number of years, into long-term jobs. In terms of agriculture, as we have mentioned, the 21 percent increase, the Special Farm Assistance Program, the Manitoba Agricultural Credit Corporation aid, Farm Aid and Farm Start — very very positive programs for this province.

Again, I believe that this Budget will build on the strengths of Manitobans and will also provide in the future for continuing economic growth and for continuing abilities of this province to decrease our deficit while at the same time maintaining services.

I'd like to, at this time, Madam Speaker, just spend a minute about Urban Affairs. Members opposite have made statements again in their speeches about the issues of Urban Affairs. Again, I find it very very interesting that in the two major hundred-page or so documents that the members opposite produced during the election, there wasn't one policy dealing with urban Winnipeg. There was not one policy dealing with the Urban Affairs issues of the City of Winnipeg. Yet, today,

they stand up in the House, as if they have a lockup on commitment on the City of Winnipeg, making all these statements about what they would or wouldn't do based on our programs — not one promise on urban Winnipeg in their own documents that they put before the people in the last provincial election.

I also find, it's rather curious in listening to the speeches of the two urban critics across the way. Mr. Ernst spoke, or the Member for Charleswood, I'm sorry.

**MR. J. ERNST:** You can call me Mr. Ernst.

**MR. G. DOER:** I'll call you that after.

The Honourable Member for Charleswood criticized at great length the whole area of spending money for core area employment programs which this government and all the two other levels of governments believe in.

We spoke the other day about child abuse. Surely to God, we have to put some money into the social programs that can build the dignity in the families to break the cycle that creates some of these tragic situations, and I believe the core area employment programs in the last four or five years and the continuing core area programs will help us do this. But I find it very interesting — yes, the Member for Charleswood criticizes the money for the core area, yet his colleague, the Urban Affairs critic No. 2, Mr. Ducharme, or the Member for Riel — I'll learn these rules yet — when he returned from Paris, France at a conference dealing with core area programs, and I quote, "The fresh troops for the core." The Member for Riel, having been to Paris with the Mayor and the Chief Assistant, Dave Grant and Nick Diakiw, stated that we must continue many of the programs dealing with the core. One of the first priorities must be unemployment. The city has to be involved in employment programs. He told that to the citizens of Winnipeg and his constituents, I don't know whether he was speaking to those, but certainly to the citizens of Winnipeg.

Yet, when we pick up the brief that the Conservatives wrote and presented to the Core Area Renewal Program, do we get the position of the Honourable Member for Charleswood on the employment programs in the core? No. Do we get the position from the Honourable Member for Riel in terms of the core brief? No. We get no position from the Conservative Party on that issue. I guess it was one of those issues they couldn't resolve, so they took no position.

Like everything else in this House, Madam Speaker, when they can't get a definite answer from their caucus, they take no position on it. They're for spending before the election; they're for the deficit after the election. They're a push-me pull-me party that goes in all different directions depending on the time, Madam Speaker, and I'm pleased in this very short period of time I have that we are supporting a Budget that is balanced, appropriate, with no personal taxations to the citizens of Manitoba, unlike the Federal Conservative Government that promised jobs, jobs, jobs and gave us tax, tax, tax. We're giving intelligent priorities and spending in the social services areas and in the key areas of agriculture and we're decreasing the deficit. We're maintaining the course for Manitobans that we were elected to do.

Thank you very much, Madam Speaker.

**MADAM SPEAKER:** The Honourable Member for Assiniboia.

**MR. R. NORDMAN:** Thank you.

Madam Speaker, upon entering the debate of the Budget in support of the amendment of our leader, I would like to firstly offer you my good wishes on the onerous task that you have taken upon yourself. I really don't envy you the position that you are in, but I hope you will carry out your duties with fairness and dedication. My best wishes to you.

I, too, would like to welcome all the new members from both sides of the House into the — I just don't know what expression I really want to say here — group of politicians that represent the Province of Manitoba.

**A MEMBER:** Dog fight.

**MR. R. NORDMAN:** No, it's not a dog fight really. We get our dander up at times, but our bark probably is a heck of a lot worse than our bite.

But all those returnees, I know there are a number on our side and a number on the other side that have been returned to office on many occasions. The Member for Lakeside, in particular, on our side, I wish to congratulate him on his re-election, and the re-election of everyone. I wish to congratulate you.

Madam Speaker, I guess I was kind of in tune with the writer who suggested that the Budget Speech lacked an appropriate musical background and identified it with a song that ended in the words, "another day older and deeper in debt." Then there is also the other saying, we're not getting older, we're just getting better. But deeper in debt, that is for sure. At the rate this government is going, by this time next year, if the government spends no more than it says it will spend and if it gets only as much revenue as it expects to get, every Manitoban will owe \$7,817.00. That will be an increase of 89.5 percent more than when the NDP took over the control of the provincial economy in 1981.

Government deficits have kept real estate rates exceedingly high over the last number of years. Presently mortgage rates are at their lowest level in eight years, and home buyers have never had a better opportunity or better terms of mortgage options available to them. But with the federal and the provincial deficits mounting as they have over the last number of years, people have been victimized by the high mortgage rates.

Madam Speaker, statistics say that one of the groups, the first-time home buyer, is particularly victimized. Research shows that each .5 percent that interest rates climb above 11 percent, in Canada 192,000 potential homebuyers are knocked out of the market. That sure destroys the dreams and the hopes of a lot of families.

Statistics also prove that Canadian consumers as a whole have reduced their own debts, in effect showing governments that deficits can be reduced. Madam Speaker, we as householders and small businessmen cannot survive if we operated in the manner in which governments operate. Somewhere along the line the piper has to be paid, and I'm very much afraid our grandchildren and their grandchildren will be paying for the spending and the deficits that this government has accumulated. The cost of servicing the accumulated

debt of 7.3 billion of this province will be in the neighbourhood of \$320 million this year. That is 8.3 percent of the Budget. On a per capita basis, a family of four will pay about \$1,300 this year.

Madam Speaker, the Budget has done nothing to encourage industry to establish in Manitoba. There was no relief from payroll taxation, no changes in restrictive labour legislation, no lessening of small business corporate income tax.

The Canadian Federation of Independent Business, in its 1985 provincial survey, showed that Manitoba payroll tax caused 31 percent of its members to reduce hiring and a startling . . .

**MADAM SPEAKER:** The hour being 5:30, I am leaving the Chair and will return at 8:00 p.m., at which time the honourable member will have 34 minutes remaining.

(Translation of Mr. G. Lecuyer's speech in Vol. 16, Friday, 30 May, 1986.)

**MADAM SPEAKER:** Order please, order please.  
The Honourable Minister of the Environment.

**HON. G. LECUYER:** Thank you Madam Speaker.

This is the first time in the present Session that I have had opportunity to speak in either of these debates on the Throne Speech or Budget and I would therefore like to take this opportunity to first of all extend to you my congratulations for having been elected to the position of Speaker of the House. This is certainly the most important position and I also take this opportunity to say that you have done a wonderful job. I trust that, my colleagues and I will do our best to facilitate your work rather than make it difficult, as we are all fully aware that it can be very difficult. I also take this opportunity to congratulate all new Members of this House, on both sides. I trust they will find the experience to be most profitable and that they will faithfully represent the taxpayers of their constituencies.

For my part, I would like to thank the citizens of the constituency of Radisson who reelected me to this Assembly and I wish to take up the challenge as I first did in 1981, of representing them to the best of my ability.

Madam Speaker, I also wish to congratulate the Minister of Finance who has tabled in this House a budget which, in my opinion is well balanced and which shows the direction this province should take to keep it in the vanguard of several other provinces of this country. In recent years, Madam Speaker, Manitoba has taken the lead over several other provinces, and I think that, before giving us his budget, the Minister of Finance has taken into consideration the needs and capabilities of Manitoba. The budget content is therefore balanced, indeed well balanced, and I congratulate him for it.

As indicated in his Speech, the Minister of Finance seeks, with this budget, to maintain for Manitoba a provincial economy that is strong and which will ensure jobs and economic security for its people. We have chosen to do this through providing and maintaining progressive social programmes which will, in turn, maintain for all Manitobans, a high standard of living.

As the Government, we have chosen to do this in cooperation with the citizens of Manitoba, with whom

we share the dream of a prosperous province. We want to work together to achieve that quality of justice and dignity which has always been my personal objective as well as that of this government.

We have no other choice, Madam Speaker. We must choose the orientations and pathways which will move us forward — forward on two fronts. We have said it in the past, Madam Speaker, that in keeping with our philosophy, there are not social programmes on one side and economic programmes on the other so that promoting one side should be at the expense of the other. In our approach, the two go hand in hand. Therefore to the degree that there is economic progress, we can achieve progress in social programmes as well.

In maintaining these programmes therefore, we do so with a view to stimulating economic progress through increased productivity, in order to offer everyone a better standard of living.

The priorities of this budget are indeed as they should be. First, the creating and maintaining of employment, then the improvement of the economic situation. We have also chosen to maintain in priority position services in the health sector, in education and, especially this time, great emphasis on Agriculture. This area, I believe, is the one that has received the greatest increase percentage-wise in this budget.

We are all aware, Madam Speaker, that agriculture in Manitoba is in a state of crisis, and I think it is true to say that this situation also obtains for the rest of Canada. Each level of government should do all it can to ensure the future of the family farm, and it is for that reason, Madam Speaker, that we have placed a high priority on this sector. We believe that this problem, right now, is the most pressing. Pressing, Madam Speaker, because on all sides the very future of farm operations is at stake. This is certainly the most vulnerable sector, and what is most unfortunate in all of this is that young farmers, the men and women who face these many problems, and upon whom we base our future expectations, are unfortunately the most seriously caught by the prevailing crisis. Several of them have already experienced bankruptcy and several others are on the verge of bankruptcy. This endangers the entire farming tradition, the small family farm in Manitoba.

In spite of good crops in recent years, the financial crisis we are experiencing is getting worse and it is well known that this is due to the continued increase in prices for the products upon which they depend. For example, fertilizer, chemical products, and farm machinery. Because of this situation their produce, the grain and other specialty crops, are declining on international markets. The result is not only difficulties in the rural sector but there are also repercussions at the urban level. Here in Manitoba, as we all know, whether in the employment, transport, commercial or industrial sectors, everyone is affected in one way or another and, in certain cases, very heavily affected, but survival depends upon agricultural vitality and activity. Therefore, to the extent that there are problems and bankruptcies, several jobs are lost, not only in the agricultural sector, but also in the urban sector. The crisis is a distinctly national one and I think that with this in mind, we must call for a national effort and national solutions so as to ensure the future of the small family farm.

Over the past few years, our Government has established several programmes aimed at stabilizing farm income and assisting farmers in financial difficulty. I'm happy to note that in this budget the Minister of Finance has announced some new assistance measures for the agricultural sector and is giving top priority to this area.

Madam Speaker, I mentioned a few minutes ago that we had also chosen to give top priority to the Health and Education sector and other social programmes. For it's generally our young people and the elderly who are experiencing the most difficulty, and they are the ones who therefore depend on these social programmes. Furthermore, it's young people who are being called upon to build the future and we have a responsibility to examine closely the effectiveness of these initiatives.

Yesterday, Madam Speaker, the Member from Brandon West referred to statistics showing that, in comparison to the other provinces, Manitoba has been in a very good position since we formed the Government in 1981. To that end, he used tables and statistics indicating that, in the majority of the sectors on which Manitoba's economic vitality measurements are based, we are in an overall better situation than the average in other provinces, and usually, and frequently, in first place. For instance, whether in the areas of public and private investment, job growth, lower unemployment, or in the value of construction, retail sales, etc., Manitoba has performed very well over the past few years. It is based on such a performance that even the Royal Bank described Manitoba's economic prospects in these terms, and I quote: "Manitoba should be leading the country in economic growth from now until 1994." And these things don't happen by accident, Madam Speaker. They are based on concerted effort and will, and that is what this Government has been doing since it came to power in 1981.

The budget now before us is designed to continue along this road in the years to come. I'm aware that certain people have raised loud voices about the deficit proposed in the budget, even though it's a considerably lower deficit than the one we saw in the last fiscal year.

Several Members on the other side of the House said, for instance, that they deplored the inadequacy of the investments proposed for the agricultural sector, and the lack of capital funding for Education. I know that these remarks were made by the Member from River Heights. And the same remarks were made by almost all the Conservative Party members about some project or other they particularly want to promote in their own constituencies. Madam Speaker, I ask myself this: how is it possible to set aside for every one of these small projects and sectors the considerable and higher sums than those we granted in our budget and still manage to maintain or reach the objective they themselves propose, that is, a lower deficit. It's the same old story, like the song that says everybody wants to go to heaven, but nobody wants to die. Or, as we also say in French, we want our bread buttered on both sides. Maybe it's easy to go on like that and say that we're not in a situation where we have to be responsible and realize what we're doing, but I think every Manitoban has the right to expect more than that. Elected Members can make representations in this House, even if they're not on the Government side

but they nonetheless have a responsibility to act reasonably. I believe that all Manitobans deserve more from such Members.

First of all, they can't say that we have to spend considerably more amounts of money and hope that we're going to end up with a deficit that's two or three times less than what we now have. On this side, we're the first to admit, and the Minister of Finance mentioned it when he introduced his budget, that the deficit would remain at a higher level than what we would like. Yet, when we look at what's occurring in other provinces, the per capita debt of Manitobans compared to Canadians as a whole or to citizens in other provinces, is not a critical situation. The Minister also mentioned, Madam Speaker, that a large part of this deficit stemmed from investments that will continue to reap benefits and contribute to the long-term economic development of this province for generations to come. It's for that very reason that we can't expect to have all the money we need to undertake something worthwhile. If we did then we would be reducing and paralysing this province and its economy in the same way the opposition chose to do between 1977 and 1981, and which sent this province to the lowest position in most of the economic sectors.

Madam Speaker, I realize it's inevitable that there will be basic philosophical differences between parties, but I don't think that members of the opposition are magicians who can somehow manage to reconcile opposites, that is, a deficit, and a budget or provincial economy without a deficit, with the idea of granting higher sums to all the sectors they are trying to promote. It matters little whether this be road construction, agricultural development, more varied, more numerous, and better financed programmes in the Education field, for there can be no magical solutions here.

I believe that the Government's approach in these different economic sectors will allow Manitoba to reach the position predicted by the Conference Board or the Bank of Canada, an excellent position in comparison to the other provinces for years to come.

Madam Speaker, I would like to take this opportunity to make a few remarks that deal specifically with my own area of responsibility, Environment, Workplace Safety and Health.

I would like to do so, if no other reason than to clarify a question which we have heard much about in the past few days. Specifically, the media have reported a great deal on mosquitos, and I would therefore like to discuss the mosquito question and relate it to a much more important question. By this I mean that, in my view, economic, social and commercial development has occurred without too much concern being expressed about their impact on the environment and on workplace safety and health. I believe that we've reached a time when it would be irresponsible to continue functioning in this way since we now know some of the effects of this impact. In too many instances, we still don't know, but where we do, we realize that we can't continue to add pollutants to the water we drink, the air we breathe, and to the earth that produces the food we eat without asking ourselves whether we're not perhaps contributing to all the diseases we hear about today, such as cancer, multiple sclerosis, Reye's Syndrome, and many others. I am mentioning this because in this morning's paper I read where my

colleague, the Member from Niakwa, said I was perhaps putting myself in a position of conflict by taking a personal stand on the question of fogging. Madam Speaker, I ask whether I myself am being responsible if, as Minister of Environment, I do not state my position when I know I'm not only risking my own health and that of my family and the citizens of this province, but also endangering the environment when I allow these things to be done without passing comment. Some people might say, you won't die from it, and of course I won't die from it; a poison that's used to destroy weeds or certain insects will indeed destroy mosquitos and other insects and not me. But a residue will be left on the water and in the soil and will be added to the entire food chain.

This residue accumulates in the human system and all sorts of known and unknown effects result. Last week, Dr. Davies from Toronto submitted a report, the first study of its kind in the country, in which she stated that there are dioxins in almost all the foods, meats, vegetables, etc., making up the entire food chain. And today we want to continue this process without asking ourselves too many questions because we're told we won't die from it. It's not enough to say we won't die from it. I simply don't believe it's enough to say that.

And, of course, Madam Speaker, politics naturally come into play because we aren't told the truth either. What is perhaps even more unfortunate, is that even with a buffer zone, we know very well that all the citizens of this city, for example, are going to be affected by the fogging, even those who objected to it, because the buffer zone applies only to the street on which they live and not to the streets on the east and west sides, or the streets to the north and south. All of these streets are fogged, which proves the dishonesty of what has been said in the papers lately. Unfortunately, even those who objected are going to be affected by the fogging. This is what is so unfortunate, because if it isn't on their street, it's on the next street which is 30 metres and not 100 metres away.

Madam Speaker, I would like to make an analogy. As inhabitants of this planet we find ourselves in a reservoir in which we can imagine there is either water or oxygen, two elements necessary to our survival. Unfortunately, there is a huge hole in the reservoir through which the oxygen or the water, if you prefer this analogy, can escape. The population is increasing, but the two elements necessary to its survival are escaping. Can we continue to make decisions which are based purely on short-term considerations, because we're going to be able to rid ourselves of a nuisance such as mosquitoes, for example, without waiting for a few more days, at which point the problem might take care of itself naturally as a result of climatic conditions? Can we continue to make purely short term decisions, or do we not have the obligation, for the sake of future generations, to make decisions for the long-term. It is on this basis and in this direction

Madam Speaker, I had the opportunity last week, to attend a conference, or meeting rather of the World Commission on Development and the Environment. Experts from around the world met with federal and provincial ministers of the environment last week in Edmonton. The Commission's mandate is to submit a report to the United Nations in 1987, containing recommendations for new options for the world

environment. The Commission's task is, therefore, a very important one and one which must be well done, because this is an opportunity which does not occur very often and which may not occur again this century, and it is of the greatest urgency that the whole world adopt new environmental principles. In this regard, for those who have not yet understood how important the environment is to their lives, and whose priorities lie elsewhere, in the exploitation of our resources, for example, be they the natural or other resources that we are developing, I would like to recall that if we destroy the environment, the only one we have, our future and survival will be threatened. We already know what's happening in the arid zones of Africa, Madam Speaker. We know very well that some of our most fertile land is disappearing. I recently read that our fertile land is disappearing at a rate of 19 million hectares per year. It is urgent that we undertake radical measures to stop the expansion of the desert. It may already be too late, but important decisions must be made. We must make important decisions, for example, with regard to urban planning when building new developments, or extending the perimeters of our big cities by constructing roads and buildings on land which was once used for agricultural purposes. This is a minor example, but one which illustrates the situation well.

Important decisions must be made concerning the use of our energy resources, for example, whether it be the exploitation of our hydro-electric resources to produce electricity, or our mineral resources to build energy sources for our nuclear reactors and weapons. Should we not consider from the beginning, even before we begin exploiting these resources and manufacturing new products, what we are going to do with the waste which is produced by these products and their use. Had we proceeded in this way, we might have asked ourselves long before the creation of the first nuclear reactor or bomb, what the impact of the waste would be.

Of course, the most serious impact would be nuclear war, which would immediately destroy our environment.

It is, therefore, of capital importance for everyone to ensure that our environment is protected, since it is the most important of all our resources.

In this regard, Madam Speaker, our Government recently adopted new fundamental principles which I presented to the World Commission on Development and the Environment last week in Edmonton, and which my colleagues in the Department of Environment presented at public hearings this week. We are proposing a series of measures which would lead to greater consideration of the long term effects of our decisions and the environmental impact they may have. During the current session, we plan on introducing a bill on the environment for discussion between sessions. This morning we submitted, for first reading, a bill concerning the establishment of a crown corporation for the management of hazardous wastes. In the area of workplace safety and health, Madam Speaker, we are currently reviewing The Workers Compensation Act, and we are also in the process of finalizing a regulation concerning health at the workplace, which will have important repercussions and enable workers in Manitoba to improve their knowledge and understanding of the materials and products they work with. This regulation is also aimed at increasing workers' understanding of the possible health hazards resulting from exposure to these products, and what measures they should take to protect themselves.

With regard to my department, at the present time a number of important activities which may affect both our future decisions and behavior, are under way and will have considerable impact on us. And so we are at a very important stage, and I am proud that we are in a position to make the decisions and take the action which as a government we must take if we are to be consistent. And the New Democrat Party is consistent and will take the necessary action. And so, Madam Speaker, as promised on numerous occasions during the election campaign and again in the Speech from the Throne and the Budget Speech, we will not hesitate to take a stand in favor of Manitoba and Manitobans.