

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, 18 March, 1987.

Time — 1:30 p.m.

OPENING PRAYER by Madam Speaker.

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

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MADAM SPEAKER: The Honourable Minister of Natural Resources.

HON. L. HARAPIAK: I'd like to table the Annual Report for 1985 for the Conservation Districts of Manitoba.

MADAM SPEAKER: Notices of Motion . . .

INTRODUCTION OF BILLS

HON. R. PENNER introduced, by leave, Bill No. 10, An Act to Amend The Queen's Bench Act; Loi modifiant la Loi sur la Cour du Banc de la Reine.

INTRODUCTION OF GUESTS

MADAM SPEAKER: Before moving to Oral Questions, may I direct the attention of honourable members to the gallery where we have 52 students from Grade 5 in the Niverville Elementary School. The students are under the direction of Ms. Sharon Paschke. This school is located in the constituency of the Honourable Member for Emerson.

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

Also, before moving to Oral Questions, may I remind honourable members of Beauchesne, Citation 359(2): "The question must be brief. A preamble need not exceed one carefully drawn sentence. A long preamble on a long question takes an unfair share of time and provokes the same kind of reply. A supplementary question should need no preamble."

ORAL QUESTIONS

Budget - personal income tax

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Thank you, Madam Speaker, my question is for the Minister of Finance.

On Monday evening, during his Doomsday Budget Address to Manitobans, the Minister of Finance stated that his personal tax increases would not affect low- and middle-income Manitobans. Yet, the vice-chairman of the Manitoba Institute of Chartered Accountants

Taxation Committee is quoted today as saying that the increase in 1988 will hit single people earning more than \$12,000.00.

Did the Minister mislead the public, or does he consider \$12,000 to be a high-income earner?

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: Thank you, Madam Speaker.

As I indicated at the time of the Budget Address, and as I indicated yesterday, in response to questions from members opposite, this government has looked at the overall situation with respect to the need to maintain services in our province and the need to get revenue in a fair and balanced manner. We have looked at ensuring that we maintain health and education services in our province, unlike other Conservative Government provinces in this country. At the same time, we've looked at securing the necessary revenue to provide for those services and bring about some reduction in the deficit.

The changes we introduced on Budget night are fair and balanced in terms of getting reasonable fair shares to provide for the services in our province. In excess of 100,000 Manitobans will see actual reductions in their income tax as a result of the changes that were brought in on Budget night, Madam Speaker.

MR. G. FILMON: Madam Speaker, my further question to the Minister is: Will the \$12,000 income earner be facing a larger personal tax in 1988?

HON. E. KOSTYRA: Madam Speaker, as I indicated, the changes that we brought about with the imposition of the new net income tax will provide for a fair sharing of the tax burden amongst all income levels. You can't simply look at one aspect of it without looking at the impact of the Cost of Living Tax Credit.

In fact, this tax that we brought in place, Madam Speaker, was called laudable by one of the prominent members of the Conservative Party, who said this was a good way of providing for increased revenue, a good way to ensure that there is equal sharing of the tax burden.

MR. G. FILMON: Madam Speaker, I'm sorry that the Minister didn't answer that question, so I'll ask him a different question.

Is the figure of 100,000 Manitobans paying less tax, as a result of this Budget for the 1987 or the 1988 taxation year?

HON. E. KOSTYRA: Madam Speaker, as I've indicated, the situation is with respect to this taxation year, to 1987. That amount of people will not be paying taxes at a level the same as the previous year. They'll actually see a reduction. If you factor in the other changes that were made in this Budget, if you factor in the Cost of Living Tax Credit, if you factor in the special assistance

to farmers, that figure will go to 156,000 Manitobans who will actually see a reduction in the amount of taxes that they pay in this year, Madam Speaker.

MR. G. FILMON: Madam Speaker, my further question is to the Premier.

Is it the Premier's position that a fair system of taxation should apply a tax on personal deductions, on charitable contributions, on university and college tuition fees and education expenses, on the cost of medical expenses, for instance, or pension contributions? Is that the Premier's idea of a fair system of taxation?

MADAM SPEAKER: Order please.

Is the Honourable Leader of the Opposition asking a question on government policy or a personal opinion? The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, it has always been the position of this government that the burden of taxation should be shared and shared most by those with the greatest ability to pay.

In other words, Madam Speaker, as one's income increases, one's ability to pay increases. One should pay a larger share of taxation toward the carrying of important services to the community at large, such as health, such as education, and important community services, rather than what has been the tendency, regrettably, in the last two years where the greatest burden of taxation and taxation increases has been weighted upon those of lower-income groups. Progressively, greater income tax being shared by those with the greatest ability to pay.

MR. G. FILMON: Madam Speaker, given that the Minister of Finance said that in fact his Budget would see low- and middle-income earners paying lower taxes, but in fact the vice-chairman of the Institute of Chartered Accountants Taxation Committee is saying that the taxes will fall upon the broad middle spectrum, which includes 80 percent of the taxpayers of Manitoba, is that the Premier's idea of fairness?

HON. H. PAWLEY: Madam Speaker, my view of what is equitable and fair by way of taxation again is as one's ability to pay, as one's income increases, then the sharing of taxation should be grouped insofar as those with higher income. That is indeed what this Minister of Finance has done by way of the Budget that he introduced to this Chamber on Monday night.

Those of the lowest-income category, those with larger families, contribute less to the overall costs of vital public services than those with higher incomes. That's the way it should be. That's the way it is insofar as New Democratic Party Government policy is concerned.

MR. G. FILMON: An equal sharing of misery is what the Premier is telling us he's offering.

MADAM SPEAKER: Question?

Budget - hydro rate increase

MR. G. FILMON: Madam Speaker, the Budget further added a 5 percent increase to Manitoba Hydro's rates

and it was said to be, by the Minister of Finance, a one-time increase.

My question to the Minister of Energy is: Does this mean that 5 percent increase will be removed at the end of this year and not built into the rate structure?

MADAM SPEAKER: The Honourable Minister of Energy and Mines.

HON. W. PARASIUK: Madam Speaker, it's a one-time rate increase, but it will be built into the base.

SOME HONOURABLE MEMBERS: Oh, oh!

HON. W. PARASIUK: Madam Speaker, I should add that the Conservative Leader of the Opposition last year specifically called that this be done, and I'm very surprised he's laughing today.

MR. G. FILMON: Madam Speaker, on a point of order, I did not call for the increase in Hydro's rates.

MADAM SPEAKER: The honourable member does not have a point of order. A dispute over the facts - (Interjection)- Order please. A dispute over the facts is not a point of order.

Manitoba Labour Board - Sooter Photo

MADAM SPEAKER: The Honourable Member for Brandon West.

MR. J. McCRAE: Madam Speaker, my question is directed to the Minister of Labour.

The United Food and Commercial Workers Union, headed by Mr. Bernard Christophe, presently has an application before the Manitoba Labour Board for certification as the bargaining agent for the employees at the Sooter Photo Company finishing plant in Winnipeg. There are allegations of unfair labour practices, intimidation and threats on both sides, Madam Speaker, including an allegation that management actually communicated with the employees.

Madam Speaker, in view of the fact that 104 of the 131 employees have addressed a petition to me, as Labour critic, expressing their view that no one should have the right to decide this issue on behalf of a very small minority of employees, my question is: Will the Minister cause an investigation to be made into this matter so that the rights of the workers at Sooter may be protected?

MADAM SPEAKER: The Honourable Minister of Labour.

Order please, order please.

I presume the honourable member who asked the question would like to hear the answer.

The Honourable Minister of Labour.

HON. A. MACKLING: Madam Speaker, the Honourable Member for Brandon West should appreciate the fact that there is a Labour Board in this province. It is comprised of representation from both labour and business and it fairly adjudicates matters that come

before it. That is the body that will be seized of any applications or any petitions or any motions that are appropriate to be made to that body in connection with collective bargaining. Madam Speaker, for the honourable critic to endeavour to undercut the work of that board does a disservice to this province.

MR. J. McCRAE: Madam Speaker, the employees at Sooter want a secret vote on this matter, and they want to have individual rights to deal with their employer.

Will the Minister ensure that there will be a secret vote, and what will he do to ensure that these rights are protected?

HON. A. MACKLING: Madam Speaker, I notice that the honourable member has a prepared text. He has several questions. Obviously, he will disregard the answers I give.

He, Madam Speaker, is impugning the integrity of the Manitoba Labour Board. The Manitoba Labour Board has the responsibility to deal with this issue, and I will be not subject to this kind of undermining of a good institution in this province.

MR. J. McCRAE: I wouldn't wish to undermine the integrity of the Labour Board at all. I would like to bring about integrity in our labour relations in this province, Madam Speaker.

Will the Minister, instead of taking his orders from Bernard Christophe, will he stand up for workers in this province? Will he stand up for workers instead of turning his back on them as he did with the Eaton's workers in Brandon? Will he protect the workers at Sooter?

HON. A. MACKLING: Madam Speaker, we know for whom the honourable critic speaks. He speaks for big business. His party speaks for the big banks and the oil companies. We know that they speak for big business.

The Labour Board adjudicates fairly. I would like to remind the honourable member that the laws that we passed in this House are fair. I remind him of the fact - and I put that on record before; I put it on record again - that in respect to our first-contract legislation, just recently we had an application by an employer to invoke first-contract legislation. The effect was that a legal strike had to be suspended, had to be ended. The workers went back to work and a first contract was imposed by the Labour Board. That's fair legislation; it works both ways.

For the honourable member to indicate that somehow the Labour Board is captive to one point of view, undermining their integrity, is shameful.

MPIC - reinsurance contracts

MADAM SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Madam Speaker. My question is for the Minister responsible for MPIC.

Madam Speaker, yesterday the Minister tabled the disastrous financial statement which pointed out a \$58 million loss in MPIC; \$36.7 million of that loss was from the reinsurance portfolio.

My question to the Minister is this: Are the contracts involved in reinsurance renewed on an annual basis?

MADAM SPEAKER: The Honourable Minister responsible for MPIC.

HON. J. BUCKLASCHUK: Thank you, Madam Speaker. Yes, I believe they are.

MR. D. ORCHARD: Madam Speaker, since the Minister has confirmed that the reinsurance contracts are renewed on an annual basis, and since yesterday he indicated that contracts written from 1975 to 1981 were very bad, why did his government renew those contracts on an annual basis if they were so bad?

HON. J. BUCKLASCHUK: Again, the Member for Pembina displays his ignorance of the insurance industry. The member is quite correct that the treaties are renewed annually, but he has not indicated that losses on reinsurance generally take three or four years to show up as a claim at the corporation. In fact, the losses that may have been incurred in 1983, in all likelihood the date of the loss took place prior to 1979.

I want to remind the members that in 1978, there was an underwriting loss or losses paid of \$2.2 million; in 1980 - \$2.9 million; 1981 - that was still a Lyon Tory year - \$5.7; 1982 was an NDP year, but we're paying the losses of the Tory treaties - \$9.5 million; 1983 - these are still losses from the period '77 to '81 - \$11.5 million.

Now let's clearly understand where these losses originated. They originated in a period prior to 1981. As I indicated yesterday, the \$36 million provision - and it is a provision - it is a book figure for anticipated losses which may not materialize. We may have those losses commuted at a much lesser cost than \$36 million. Most of those, I dare say, 80 percent were incurred as a result of treaties entered into prior to 1981.

One other factor, Madam Speaker, on the Autopac loss of \$18.3 million, I am somewhat surprised that the members . . .

MADAM SPEAKER: Order please, order please.

May I remind Honourable Ministers that answers to questions should be brief, and if they have long, detailed answers, there are other methods of conveying information to the House.

MPIC - resignation of Minister

MR. D. ORCHARD: Madam Speaker, my question is again to the Minister responsible for MPIC.

In view of the fact that he attempted to misinform the House yesterday with his colourful figures, will he now do the honourable thing and resign as Minister responsible for MPIC in face of a \$58 million loss under his tutorship?

MADAM SPEAKER: I do hope the honourable member is not accusing another honourable member of deliberately misleading.

The Honourable Member for Pembina.

MR. D. ORCHARD: Madam Speaker, there was no indication of deliberation. This Minister knows not what

he does. He may have inadvertently attempted to misinform the House. That's why I want him to now resign as Minister responsible for a Crown corporation that has now lost \$58 million with him as chairman of the board, Madam Speaker.

MADAM SPEAKER: The Honourable Member for Kildonan.

The Honourable Member for Pembina on a point of order.

MR. D. ORCHARD: No, Madam Speaker, I have a question for the First Minister since his Minister responsible is mute.

MADAM SPEAKER: The honourable member cannot insist that a Minister answer his question.

MR. D. ORCHARD: That's right, absolutely, Madam Speaker. I understand that.

HON. J. BUCKLASCHUK: Madam Speaker, I was not too sure that question was proper. However, I will respond.

MADAM SPEAKER: Order please.

I recognized the Honourable Member for Kildonan. I thought the honourable member was getting up on a point of order. I'll recognize the Honourable Member for Kildonan, and then I'll come back to the honourable member who can ask a new question to the Premier if he chooses.

Budget - personal income tax

MADAM SPEAKER: The Honourable Member for Kildonan.

MR. M. DOLIN: Thank you, Madam Speaker. My question is for the Minister of Finance.

In light of the questions asked by the Leader of the Opposition today and reports in the various newspapers, I would like to be able to pin down the effects of the Budget on a family in my constituency. For example, if people would understand, a family of four earning \$29,200, will their taxes go up or down?

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: Thank you, Madam Speaker.

I'm pleased to answer that question and to correct a very significant error that was contained in the Winnipeg Sun of this morning; in fact, a number of significant errors.

In regard to a family of four earning \$29,200, the Winnipeg Sun said this morning that family would pay \$600 more in taxes as a result of this Budget this year. That is simply not true, Madam Speaker. The actual impact on that family of the change in the net income tax this year would be \$116.00. At the same time, that family would receive an increase of the Cost of Living Tax Credit of \$95.00. So the actual increase would be closer to the area of \$21.00.

The errors in the Sun even go farther if you look at what they did with respect to that same family of four earning \$49,000.00. The error in the Winnipeg Sun this morning with respect to a family of four at \$49,200 was close to \$1,800 higher than actually they will pay this year.

MADAM SPEAKER: The Honourable Member for Kildonan with a supplementary.

MR. M. DOLIN: A final supplementary, Madam Speaker.

My understanding is that from what the Minister says, the people who read the newspaper this morning and listened to the questions from the Leader of the Opposition should not be misled to think that taxes were going up when they make \$29,200, but the fact that the Minister is stating the correct situation is, the taxes are going down. Is that correct?

MADAM SPEAKER: The honourable member knows that he cannot ask a question that asks the Minister to verify the facts. It's a member's duty to ascertain the truth of a statement before he brings it to the attention of Parliament.

MPIC - resignation of Minister

MADAM SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Madam Speaker. Madam Speaker, my question is for the First Minister.

Madam Speaker, last year, when his Minister responsible for the Telephone System, the Member for St. James, reported to the House a \$27 million loss in the Telephone System, the First Minister accepted his resignation.

In view of the fact that his Minister responsible for MPIC has announced a \$58 million loss last year in MPIC, will he demand the resignation of that Minister and chairman of the board of Autopac?

MADAM SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, it's my understanding that these losses relate to a period of time in which there were treaties written when the Honourable Member for Pembina, the Honourable Member for Lakeside and the Honourable Member for Minnedosa all had important roles to play insofar as MPIC was concerned.

It's my understanding that these adventurers, Madam Speaker, these financial adventurers, were in charge and responsible for the Manitoba Public Insurance Corporation during the material time in which the policies were written, from whence the losses were derived.

So, Madam Speaker, I find it like the kettle calling the pot black, when these three financial adventurers suggest that the Minister, who corrected the situation by discontinuing the adventurism in 1984, should resign for their financial adventurism from 1979 to '81.

Budget - omission of Crown corporation losses

MADAM SPEAKER: The Honourable Member for Morris.

MR. C. MANNES: Thank you, Madam Speaker. I direct my question to the Minister of Finance.

Madam Speaker, the Manitoba Public Insurance Corporation and the Manitoba Telephone System lost \$58 million and \$28 million respectively in their last fiscal year as detailed in annual reports tabled yesterday. On page 32 of the Budget Address of the Minister of Finance, he indicated that Crown corporation losses incurred in 1987 and 1988 would be included at that time in the budgetary Estimates.

My question to the Minister: Can the Minister indicate why that \$86 million, the summation of the losses in MPIC and MTS, were not included in this year's budgetary Estimates?

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: I think, unfortunately, the member doesn't quite understand the situation that we are dealing with in respect to Crown losses and it's not unlike other members.

The area that we are looking at and will be reflecting in future years is the situation with respect to Crown losses, where there is no ability or no likelihood of those Crown losses being realized. The member knows full well in the case of our outstanding self-sustaining corporations, like the Manitoba Telephone System, like MPIC, like Manitoba Hydro that have significant assets and have the ability to ensure that they cover those losses over a time, at the same time still keeping rates at the lowest level of any such corporations or private sector companies in North America, that those losses are contained within the operations of those organizations.

So that is not the area that the Provincial Auditor raised; that is not the area that we are dealing with in terms of that reference in this Budget.

MR. C. MANNES: Madam Speaker, can the Minister indicate how long before he prepared the Budget that he knew the Crown corporation losses within all the Crowns, and can he indicate what that total is at this particular point in time?

HON. E. KOSTYRA: Madam Speaker, the member knows full well that the impact of those losses are contained within the operations of those Crown corporations, that they do not impact on what was contained in the Budget. I think that's obvious and he knows that from his previous involvement in terms of looking at these areas.

So I think his only point in raising this is that he either doesn't understand, or as one of my members on this side says, he's being somewhat mischievous.

MR. C. MANNES: Madam Speaker, page 32, I'll quote out of the Budget Address. The Minister himself said, in 1987: "The Crown losses in 1987 and '88 would be reflected in the Budget of the year following."

My question is: Using the Minister's own words, why was this government not more open, more candid and not tramp on Manitobans, like their badges should say, Madam Speaker, after this Budget has come down; why were they not more candid and include the losses in the Crown corporations of fiscal year 1986 in this year's Budget? My question is straightforward.

HON. E. KOSTYRA: I've already explained the difference and the member knows full well the difference. Here we are, Madam Speaker, expanding the amount of information that is going to be available for members, expanding the method of accounting for the operations of government and its agencies, the member said selective - no. This is exactly what the Provincial Auditor was suggesting, so it's not selective unless you're reflecting on the Provincial Auditor, and to suggest in any way that this Budget that was brought down this week is trampling on Manitobans is simply not doing justice to the truth. The opposite is true, Madam Speaker. This Budget is ensuring that we have the services available for Manitobans in a way that is not taking place in Conservative provinces and it is sharing the costs of providing those services fairly and equally throughout Manitoba.

MADAM SPEAKER: The Honourable Member for Morris with a final supplementary.

MR. C. MANNES: A final supplementary, Madam Speaker.

The Minister of Finance said in his Address, and I quote: "Crown corporation's losses as well as anticipated year-end savings resulting from unspent funds will be made in the province's Budget. Beginning with losses incurred in '87 and '88, Crown investment losses will be incorporated into government expenditure."

My question to the Minister: What does he mean by that then, when he puts that in his Budget?

HON. E. KOSTYRA: Exactly what I said in answer to the first question.

MPIC - claims in other provinces

MADAM SPEAKER: The Honourable Member for River Heights.

MRS. S. CARSTAIRS: Thank you, Madam Speaker. My question is to the Minister responsible for MPIC.

On the same day that Manitobans discovered that MPIC had lost over \$18 million on their Autopac division, I spoke with a resident of this province who told me that the corporation was refusing to pursue his liability claim in the Province of Alberta because: "It wasn't worth the cost of pursuance."

Would this Minister tell me how many millions have been lost by the corporation through their reluctance to pursue claims in other provinces?

MADAM SPEAKER: The Honourable Minister responsible for MPIC.

HON. J. BUCKLASCHUK: Thank you, Madam Speaker. The Member for River Heights asks about a specific claim, one out of 245,000, which I can't possibly respond

to. However, if the member provides me with information, I will provide her with background information.

The other thing I should mention - it appears the Member for River Heights is now in the same camp as the members of the Opposition, wanting things both ways - the \$18 million loss in Autopac was primarily because of an increase in a number of claims and the cost per claim, as well as a \$5.3 million provision for the prejudgment interest, which every member of this House supported.

One can't get up in the House and scream about deficits when one, by sanctioning that legislation in this House, has caused that problem. It is not a problem. It is something Manitobans want. I don't think that MPIC, nor this side of the government, will apologize for something that is of benefit to all Manitobans.

MRS. S. CARSTAIRS: Madam Speaker, to the same Minister.

Is it MPIC corporation policy not to pursue claims at certain levels, for example, under \$1,000 or under \$1,500.00?

HON. J. BUCKLASCHUK: Madam Speaker, I think it would be prudent management in the case where it is anticipated that the legal costs will be greater than the benefit that is to be derived by pursuing through the courts that there be some other manner of resolving that issue. However, I will take that question as notice and determine what the policy is, the specific policy.

MPIC - liability deductible claim

MRS. S. CARSTAIRS: A final supplementary.

If it is the decision of the corporation not to pursue on the basis of the cost of legal action, will the corporation thereby guarantee the liability deductible claim on the part of the claimant?

HON. J. BUCKLASCHUK: If I had the specifics of that particular claim - I will take that question as notice and report back.

Library funding - City of Wpg.

MADAM SPEAKER: The Honourable Member for Ellice.

MR. H. SMITH: Thank you, Madam Speaker. My question is to the Minister of Cultural Affairs.

Given the recent discussion by the City of Winnipeg subcommittee regarding library funding, and given the recent excessive colourful comments by Councillor Lorenc, could the Minister of Cultural, Heritage and Recreation tell the House what the province is doing regarding funding for City of Winnipeg library services?

MADAM SPEAKER: The Honourable Minister responsible for Cultural and Heritage Resources.

HON. J. WASYLICIA-LEIS: Thank you, Madam Speaker.

I would go further in describing the comments by Councillor Lorenc and call those comments

outrageously silly and ignorant of the facts. The fact of the matter is, Madam Speaker, that this government is committed to steady improvement in our library services throughout the Province of Manitoba, as evidenced by the fact that there was a 16.5 percent increase in last year's operating budget for the City of Winnipeg, and a supplementary \$500,000 grant for book acquisitions.

Madam Speaker, I am pleased that we are continuing to improve the library system in Winnipeg by contributing a further \$160,000 grant to the City of Winnipeg public library service, representing a 12.25 percent increase and showing clearly our commitment to improved public library services.

MR. H. SMITH: Could the Ministers tell this House what effect this funding will have on the maintenance of neighbourhood libraries, such as the local library in the riding of Ellice? In other words, what effect will it have on neighbourhood libraries in the City of Winnipeg to maintain their standards?

MADAM SPEAKER: Would the Honourable Member for Ellice rephrase his question to make sure it's within the jurisdiction of the Honourable Minister?

MR. H. SMITH: Would the Minister tell this House what effect this funding will have on the maintenance of neighbourhood libraries in this city that are so integral to the vibrancy and health of local communities; in other words, of what help to the City of Winnipeg library system? -(Interjection)-

MADAM SPEAKER: Order please.

MR. H. SMITH: How specifically will it help the local library branches like in your riding and mine?

HON. J. WASYLICIA-LEIS: The Member for Ellice raises a very serious matter for those of us on this side of the House. We would hope that with this kind of substantial increase to the City of Winnipeg that no neighbourhood library will be threatened whatsoever. In order to ensure that, I will be discussing with the city ways to ensure equitable distribution of these funds right across the board throughout the City of Winnipeg.

I should note, Madam Speaker, for the benefit for all members present, that a motion was passed by the City of Winnipeg Public Library Board in support of the notion of equitable distribution of provincial and civic funds across all six library districts.

Native children - adoption policy

MADAM SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: Yes, Madam Speaker, thank you. I have a question for the Minister of Community Services, Madam Speaker, with respect to a report today about a 14-year-old girl who has been the subject of a custody battle between her natural parents and her foster parents, who was returned to a reserve in Manitoba, raped, does not speak the language of her parents, has received no counselling, no support

services and indicates that she wants to return to live with her foster parents.

My question to the Minister of Community Services, Madam Speaker, is: What role is the government policy of not allowing Native children to be adopted by other than Native parents playing in this matter?

MADAM SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Madam Speaker, there are very important legal and agency accountability issues in this case. It's currently before the court; therefore, I think it's inappropriate for me to comment in detail. The overall policy though of the government always puts to the fore the best interests of the child. The expectation is, Madam Speaker, that the agency and the courts will always put that to the fore. If there are any errors of omission or commission in this particular case, the directorate will hold the people accountable, but the particulars of this case are currently being argued before the court.

MR. G. MERCIER: Madam Speaker, would the Minister of Community Services request the Ombudsman to investigate the handling of this matter by the Awasis Agency of Northern Manitoba?

HON. M. SMITH: Madam Speaker, I think it is premature to take an act like that while the court is reviewing the situation and while the directorate also are reviewing the situation. The Ombudsman is a final route, along with the court, that an individual or an agency can follow. I'll certainly review that option as we find out more from the court case.

Native children - private adoption

MR. G. MERCIER: Madam Speaker, would the Minister indicate how many Native children have been allowed to be adopted by other than Native parents since the beginning of their nonsensical policy sometime in 1983?

HON. M. SMITH: Madam Speaker, I'll take the particular question as notice, but it would be remiss of me to let the indication that it is nonsensical, considering the best interests of the child, paying some consideration, not explicit consideration but some consideration to linguistic and cultural matters, that is what the law says, Madam Speaker, and that is what we uphold; and it is a gross distortion by the member opposite to suggest that we have ever said anything else.

MADAM SPEAKER: The Honourable Member for St. Norbert with a final supplementary.

MR. G. MERCIER: My question, Madam Speaker, to the Minister: Can she explain why young Native mothers currently are privately placing their children in white homes, or non-Native homes, because they don't want those children to be subjected to some of the things like this 14-year-old girl has been subjected to on reserves?

HON. M. SMITH: Madam Speaker, if the member opposite has indication of some case where the law is

not being followed or where the best interests of a child has not been followed, I wish he would report it to me so we could look into it.

Madam Speaker, the prime criterion in placing any child is the best interests of the child. I think that if the member will review the new legislation he will find, both in the principal statement and in the body of the act, that is the prime consideration.

We have said that the linguistic cultural elements are significant, Madam Speaker, not the only criterion. Again, I think it's a distortion of what the law says or any official policy statement; and I think it does a disservice to the white community and to the Native community.

Budget - personal income tax

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: Thank you, Madam Speaker.

I was asked a detailed question by the Leader of the Opposition and I can now provide him with the answer with regard to the single tax filer and the impact of the changes in the income tax on Budget night.

Assuming that that person has no pension deduction, no RRSP's, or no union dues deduction or child care deduction, etc., that individual for 1987 would pay \$9.00 more under the net income tax and for a full year of '88 would pay \$31.00. If you add to that the Cost of Living Tax Credit increase, that same individual this year will see a reduction of \$21 in his taxes and next year a reduction of \$13.00.

I might just add, Madam Speaker, that this same net income tax is the one that the Leader of the Opposition called on December 14 as a laudable goal because it works towards getting those who benefit the most paying their share.

MADAM SPEAKER: The time for Oral Questions has expired.

ORDERS OF THE DAY BUDGET DEBATE

MADAM SPEAKER: On the adjourned debate of the Honourable Minister of Finance, and the proposed amendment thereto, standing in the name of the Honourable Member for Sturgeon Creek.

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

"It's a pleasure to be taking part in this debate," are the usual words that are put forward by a member, but unfortunately it's a very black day for Manitoba that we have to take part in a debate on this type of a budget. Madam Speaker, I sincerely hope your job is made easier by the government than it has been previously.

I would also like to congratulate the Lieutenant-Governor, Mr. George Johnson, for being promoted to that position in the Province of Manitoba. It is a position that he deserves and will fill well and honourably.

I would also like to say how pleased I am that Mr. Justice Sterling Lyon has been appointed to the Bench

in Manitoba, and I find it rather disgusting that the Attorney-General of the Province of Manitoba would have the audacity to say that the Federal Government should consult with him on Federal Government appointments in this province. It's typical socialist practice to want to have their hand in everything.

Madam Speaker, I'm rather disappointed in the Throne Speech Debate, and I guess that's the reason why I didn't speak on it. I can tell you, Madam Speaker, that the Throne Speech Debate had nothing in it, and it always . . . - (Interjection)- Oh, there goes the Minister of Industry who now laughs every time something's said to him. The only reason he does that, Madam Speaker, is because of his insecurity, and the fact that he doesn't know how to answer questions without laughing.

But anyway, Madam Speaker, the Throne Speech Debate again this year, was proved to be wrong, was proved to be misleading, as the Throne Speech Debate was last year. Last year, in the Throne Speech Debate, we were told about hydro contracts which don't exist; we were given impressions that things were all right in the province and certainly, Madam Speaker, the province can't be all right if you're closing hospital beds and having people suffering the problems that are being suffered in the Province of Manitoba.

Again this year, we have a Throne Speech that talks about what there will be done for agriculture, and yes, Madam Speaker, the Budget did say something about agriculture; it did give agriculture what the Progressive Conservative Party has been advocating for years. This government finally realized that it would be one of the better things to do for farmers, but on the whole, Madam Speaker, they have done nothing for the No. 1 industry in this province.

They don't recognize, Madam Speaker, or let's say they haven't been here long enough or they weren't born here or they haven't taken the time to realize that Manitoba's No. 1 industry is agriculture. The reason for Winnipeg even being here is because of the agricultural community in the Province of Manitoba; that was the original reason for Winnipeg to be here. And to be a distribution centre to the agricultural community to the west of us, distribution of agricultural machinery and other products to the west of us - that's what built up the manufacturing in the Province of Manitoba. But honourable gentlemen opposite have no idea about that, they don't recognize it, they don't even - if they do recognize it they choose to throw it aside and not pay any attention to it.

Madam Speaker, I'm disappointed that the honourable members opposite will defend, defend misleading statements to the people of Manitoba. Madam Speaker, they often talk about being on that side of the House and we're on this side of the House. I can only say that the gentlemen who are wearing the "Stand up for Manitoba" badges were the only party that lost seats in the last election. They were the only party that lost the percentage of popular vote. Since the election, the people who have taken the polls that they like to brag about said in those polls, "50 percent or close to 75 percent of the people contacted that were asked, 'Is the Government of Manitoba doing a good job?', said, 'No, they're doing a bad job.'"

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

MR. F. JOHNSTON: Mr. Deputy Speaker, when you have a party, when you have a party . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MR. F. JOHNSTON: Oh, listen to this, would you? Listen to this. Would you believe that they now defend that? They have a party - well, the Minister of Finance laughs, but I would say it'll be more than 100 percent, more than 100 percent, Mr. Deputy Speaker.

MR. DEPUTY SPEAKER: A point of order being raised.

HON. E. KOSTYRA: I was not laughing at that point, Mr. Deputy Speaker. I was laughing at the point that in all the information that was contained in that particular poll, that the member is only referencing one small little statistic. I thought he might reference the general statistics that showed the Conservative Party as having much decreased in support.

MR. DEPUTY SPEAKER: A point of order is a deviation from the rules of the House. I don't know if laughing is a deviation.

MR. F. JOHNSTON: Mr. Deputy Speaker, he wanted to bring that point out because he was talking about the overall poll. But the Minister of Finance doesn't recognize the fact and refuses to recognize the fact there are more people in the province today, saying this government has done a bad job, than there was since the election. Now, is that right or wrong?

A MEMBER: Right on.

MR. F. JOHNSTON: That is right. Well, now the Minister of Finance likes to refer to the poll, the Minister over on the other side who's chirping, "doesn't like to refer to the poll." He doesn't like to realize what it says.

Mr. Deputy Speaker, I would rather be sitting on this side of the House or anywhere - I would rather be sitting anywhere, Mr. Deputy Speaker, as an honest man. I would not choose to be sitting anywhere if I got there by misleading the people. I would be testing my conscience daily if I was sitting there because I misled the people. I assure you the people of Manitoba expect the Government of Manitoba to be straightforward with them, not mislead them, and to handle their finances, which the government, Mr. Deputy Speaker, takes from them. They do, there's nobody stops them or can stop them from taxing, they take their money, and the people of Manitoba expect that that money will be handled properly for them.

Now, Mr. Deputy Speaker, we have heard how they've managed the money, and I'll touch on that later. I can assure you, as I've said before, I wouldn't like to be anywhere if I was there under false pretenses.

Were the people told during the election about the deficit? Were they told about the Crown corporations? Was the financial statement hidden from them? Were we told that we were going to close hospital beds? Were we told that we were going to have the worst child-care system in the province and, proving to be at the present time, in the country?

Mr. Deputy Speaker, when I sit and listen to the answers from that Minister about a child in desperate

straits and I hear those kinds of answers, I can assure you I can say that we are probably the worst in Canada under those circumstances.- (Interjection)- I don't, but that little girl does. Maybe you'd think about that, and what would you do if it was one of your own children? -(Interjection)- Yes. Oh, I'm sure you do.

Mr. Deputy Speaker, the Premier said in his speech, he used the words: "What is happening in Manitoba," and he went on to list many of the things that were happening in Manitoba.

The Premier went on to talk about the economy. The Premier went on to talk about employment; he talked about housing starts; he talked about -(Interjection)- I just heard one of the gentlemen opposite talk about the Budget Speech. I'm referring to the Premier and, to my knowledge, the Premier hasn't spoken on the Budget yet, but I guess the honourable gentlemen over there don't recognize it.

He talked about the Federal Government programs, but he didn't talk about manufacturing being down in the Province of Manitoba. He didn't talk about many of the farm problems. He didn't say the reason that housing is up is because of interest rates put in by the Federal Government.

I watched a newscast the other night and I watched the Housing Minister in Ontario. He actually complimented the Federal Government because of interest rates being down and, because interest rates being down, they were able to put up more housing for the many, many people who are moving into Ontario and, by the way, moving from Manitoba to Ontario at the present time.

He also had a lot to say about the service industry and what is our industry built on? We hear this bragging about the bank reports all the time and at the end of every bank report, at the end of every financial report, or nearly every one, we get these words: The reason for our forecast is because of Limestone and because of the core area projects.- (Interjection)-

Those are all borrowed monies and we have an economy that's built on borrowed money with short-term jobs at the present time, and anybody that I know of in the financial industry says that Manitoba, if it continues on that path, will be heading for the worst financial situation that you could ever believe because you cannot continue to live on borrowed money. The Minister of Finance knew that before he brought this Budget down. He only decreased the deficit by \$70 million and we're still going to be moving along on borrowed money.

But, Mr. Deputy Speaker, I will touch on that later because that's what the socialists want. There is no question that the socialist does not want investment in this province. There is no question that the socialist wants control of the finances of this province and they want to be in the position of the man who pays the piper calls the tune and they always have been that. Look, have you ever read the "Regina Manifesto" that you people believe in? Well, if you believe in it, stand up and say what you are then.- (Interjection)-

A MEMBER: I'm a socialist.

MR. F. JOHNSTON: That's right. If you believe in the Manifesto, you are a Marxist or a communist. That you

can be assured of.- (Interjection)- I have. Mr. Deputy Speaker, they've told me they'd send me a copy. They don't have to. There's one in the library and I'm disappointed that a document of that type would even be in this building. That's correct.

Mr. Deputy Speaker -(Interjection)- well, I'm hearing some words from the other side and I don't blame him because I do a lot of talking in the House when I'm speaking. I would like to quote from the Member for Kildonan's speech. I don't have to look it up. He said when he was speaking that he doesn't know of anybody who wants to work. That's what he meant. Now, I honestly believe that he is right, at least his associates don't want to work, and the people around him don't even think the idea of working is good. So his statement was that I don't believe that anybody wants to work.

I believe that Manitobans want to work. I believe the ladies he was talking about want to work, because they've got ambition and they've got some conscience. They don't want to be on the dole like a lot of you people would like them to be.

Now, Madam Speaker, Mr. Speaker, or Mr. Deputy Speaker - you keep changing things around on me.- (Interjection)- Yes. Yes.

So now what is happening in Manitoba? Let's take the words of the Premier: What is happening in Manitoba? Well, we've just started, for one thing, taxing, as was brought out today, people who earn just over \$12,000 or more. We have what we call Line 224 in our income tax, which is your net income, and you know, underneath that, in the deductions, there's one that really bothers me. If you're caring for an invalid father or mother or relative, is that not taken? No, that government didn't think of that, did they, the fact that those people aren't in nursing homes? The fact that they're being taken care of in a house with parents or sons and daughters, was that thought of? And you call that conscience? Where is your conscience when you do things like that?

That's the type of socialist thinking when they're grabbing peoples' money. Take a look at Line 224 in your income tax and I bet you none of you did it before that Budget was passed and realized what people will be paying tax on when they pay on the net tax of Line 224. I assure you that is disgusting. That's what's happening in Manitoba.

Would you like to read the Budget that says net? Well, you wrote it. I hope the Member for Inkster has got his driveway shovelled. He didn't the last time I went past his place. Well, as I said there is nobody on that side who wants to work. Mr. Deputy Speaker, the fact that we've now taken \$368 million out of the pockets of Manitobans - \$368 million more will be taken out of the Manitobans' pockets - who could sleep at nights when they have taken the largest tax bite ever in a province in this country in peacetime. They think that's funny. They think that's the thing to do.

They came up with a statement in the Budget that 100,000 people will not be paying tax, which I dispute. They will be paying higher hydro; they will be paying higher telephone; they will be paying tax when they go to the stores and they buy their family clothing, etc. They'll be paying another percentage on tax, and the Minister keeps talking about these little kickbacks they're going to get on taxes, which will never add up to the amount of money they will have to pay because of this Budget.

It will never add up to the increases that are in this Budget, and yet this government thinks that was the right thing to do. That was the fair thing to do. I can remember the NDP in Ottawa being so annoyed when the Federal Government put a tax on hamburgers and pizza, this type of thing. What can we call it, the Pizza Budget, or something of that nature?

I can just visualize now, a young family getting in the car, going out to the hamburger spot. The hamburger and chips and everything for four people or five people or even three people can come to maybe \$10, and now they pay tax. What a cheap, low thing to do. What a cheap, low thing to do, to be grabbing money from people under those circumstances; and they think it's fair. Is that fair?

We really had a pretty good system as far as our meal taxing was concerned, but no, they had to take it a step further, and they had to say, convenience foods. Young people, the teenagers who go and eat the convenience foods in the convenience stores and what have you, Now you're going to tax them? Oh well, I heard the Member for Kildonan again say, "Just like Ontario." Just to make a brief side comment, Mr. Deputy Speaker, I am so sick of a group of people who demonstrate complete incompetence, who demonstrate that they have no knowledge of administration. They demonstrate they have no knowledge of how to operate or run anything, other than to blame somebody else, or say somebody else did it.

If they were in a board of director's room - which they'll never be - or if they were in a management position in any company or if they were working in any one of those things - which they will never be, Sir - I will tell you that they'd be the first ones fired if they tried to run it on the basis of what somebody else did all the time instead of their own ability to do things within their own competence, within their own province, in this case. They don't have that ability and they admit it every time they make that comment.

Now then, Mr. Deputy Speaker, I'd say to you, the payroll tax. Investment in Manitoba is finished. I mean, let's face it. Is United Technology coming? I guess anybody who believes that if you were going to invest in a province, between Saskatchewan, Manitoba and Alberta in Western Canada, or anywhere in Western Canada, if you had to pay 2.25 percent payroll tax, and you don't over there, who in their right mind would do so unless you give them a great big incentive? It won't happen.

If he really believes that you're going to have a company - (Interjection) - my colleague from Portage la Prairie . . . Mr. Deputy Speaker, I'll take my chances with them, they start a company, I'll start a company and we'll see who wins, be glad to.

I can tell you that the comments I hear when members opposite believe that a company would come somewhere when they have to sell probably 10 percent more product to make the same profit as they would in another province. Who in their right mind? I was going to say, the comment was to my colleague from Portage la Prairie. I can assure you he's been involved in a business that isn't all that great and big a business in this province, but I can assure you he knows what it costs. I can tell you that everybody else knows what it costs. Would you believe what it's going to cost our hotels and what it will do to our tourism industry? Do

you know that most hotels are close to a megaproduct - the Westin, the Holiday Inn, the Downtowner - one of those hotels, those big ones, hire 500 people? And they are now going to have to put on more payroll tax. But isn't that something? The Attorney-General jumps up and says, "And doing very well," and that's his way of doing business. If they're doing well, I'll getcha. I'll getcha if you're doing well, and that's exactly what you said.

HON. R. PENNER: Would pay their way.

MR. F. JOHNSTON: Would pay their way?

HON. R. PENNER: Yes.

MR. F. JOHNSTON: They are paying their way. What does the tourist industry do for this province? This is the warped-mindedness, and that of course - which I will touch on later - will prove that this government does not want investment. Nobody in their right mind, that would want investment, would do that.

It was told to them when they put it on. The worry was when they put it on that they would increase it. No, the Premier of this province went through the last election and said - he didn't say there wouldn't be, but he said there won't be for two years, an increase in the payroll tax. Of course, who can rely on the word of the Premier of the Province of Manitoba? I've been sitting opposite him since 1969 . . . There again, Mr. Deputy Speaker, I'm hearing 3 percent somewhere else. Does that mean you should do it? That is your way of operating business. Isn't that something? We've got another clear admission from a member, another member, that if somebody else does it, we'll do it.

In other words, they don't operate by analyzing what can or can't be done or should be done in Manitoba, and they say, well, we've got the lowest hydro rates in North America. Not any more - they say, we are among the lowest rates in North America. Is that a reason to charge the people of Manitoba more? Is that a reason to take this great heritage that these fellows talk about all the time, that they say belong to Manitobans and charge them more for it because they happen to be the lowest? You should be proud to be the lowest and you should be trying to get them down, instead of saying, the other guys are higher; I'm going higher.

What kind of treatment is that to the people of Manitoba? What kind of treatment is that? The Minister of Resources keeps shooting away, or the Minister of whatever it is, he keeps shooting away. Why don't you just go and kick them? When you've got them down, why don't you just go and kick them? You've got them down and you're taking \$368 more million out of their pockets. Why don't you? You're taxing them to the limit now and now you're going to kick them while they're down, and he thinks it's funny.

Mr. Deputy Speaker, then we have a situation where we have another 1 percent of the sales tax, the tax that the NDP Government doesn't believe in, and they say that 100,000 people won't be paying taxes. Of course, 400,000 will, and 100,000 will too. I say 500,000 people in Manitoba will be paying more taxes because they're going to be paying that extra on clothing, etc. It's worth \$100 to a family; that's what it costs them

per person. So it could be \$400, \$600, \$500.00. So we kick them again when they're down.

I had a fellow say to me the other day, "You know," he said, "Mr. Johnston, it doesn't matter what you earn in this province, you just can't get ahead; whether you make a lot of money or you make a little amount of money, you just can't get ahead. This government just waits until they can see some particular spot, some particular place, and then they tax you."

Mr. Deputy Speaker, I refer to a book called "Douglas in Saskatchewan." It's a history of the Saskatchewan Government during the NDP days. In that book, they show you where they put on at least 150 new taxes and increased every tax there was in the province, and we have the same government doing the same thing in the Province of Manitoba.

We've got a government that has put on payroll tax, increased the sales tax twice now, but had increased the sales tax once, increased every fee there is in this province from death to marriage licences. They've increased all the court things that you have to have that lawyers charge when working with clients. They've increased the parks' entrances. They have not missed a fee in this province that they have not increased since 1981.

With all of that money, they still have had \$500,000 deficits every year. They've had their credit rating drop three times. They've increased taxes more than once. With all of that money, we are still in a financially desperate position in the Province of Manitoba. That is management?

Mr. Deputy Speaker, that is not only disgusting, it's stupid. I don't know how anybody can be that stupid or how anybody can manage that badly, other than the fact that socialists like to gouge from people's pockets to try and get control of the financial situation and have people always responsible to the government.

Mr. Deputy Speaker, we have another thing happening. Casinos! We are now going to run this province with casinos on the backs of the poor. I will tell you, lottery tickets, racing - you go and buy a ticket on a horse or something - but casinos are the most drastic, worst things for the poor that you can find. All you have to do is walk down to that one that's operating every five days. Gambling never hurts a rich person, Mr. Deputy Speaker. How can it? A rich person doesn't get hurt gambling. Of course, if they're crazy enough to go and lose it all, that's up to them, but that person, that average ordinary Manitoban that this government keeps talking about, are taxing them with those casinos, and it's not only disgusting, it's immoral that you increase the days of casinos in this province.

I remember the day, Mr. Deputy Speaker, when we increased them to 12 so that we could take care of different fairs like the Red River Ex and the St. Boniface Festival du Voyageur and the Brandon Fair. We felt that there were 12 places in the province that you could legitimately have a casino. I remember the Member for St. Johns at that time, Mr. Saul Cherniack, getting up and just berating us something terrible over that.

I can tell you that this is the worst type of tax on the backs of the poor. If you think that the people that you're going to have this money go to for their communities, for their libraries, they really want to know that that is being given to them at the expense of the poor and it is being done by gambling in this province,

you've got another think coming because the people of Manitoba have enough moral conscience to know that that's wrong. It is wrong, and you ought to be ashamed of yourselves for doing it. I can tell you, Mr. Deputy Speaker, that will hurt people in this province.

But when you have a government that has taxed the people to the extent they have, and they still haven't got the ability to run the province financially, what do they turn to? Gambling! Boy, that's a poor excuse for being good administrators, and the Minister of Finance ought to be ashamed of himself. He's got to be ashamed of himself to even consider that that should be part of the income of this province. There should be no increase in casinos in this province because it is immoral and wrong. - (Interjection)- They don't care, but since when would a socialist have any morals?

Mr. Deputy Speaker, we have this situation about agriculture, which I mentioned, and if they don't realize the importance of agriculture more than they demonstrated, do they really not understand that the communities that support agriculture, the small towns, will be hurt badly in this province because they have not paid attention to agriculture?

Why didn't they pay attention to agriculture? Because they're broke. They've spent their money foolishly on political hacks, advertising, all of these crazy, stupid things that they've put together - (Interjection)- Wait a minute, wait a minute, Mr. Deputy Speaker. I would like to say, you know, in this Budget, did they get rid of any one of those people, those hangers-on that they've got? Not one.

Because I'll tell you, Mr. Deputy Speaker, they've decided to keep the deficit high, keep those people on the salary of the government, paid for by the people of Manitoba, to get them working for them and do their damned programming for the next election. Is it just as simple as that? They did it the last election; they'll do it again because they have no morals. They don't care about the people's money. They just stick their hand in somebody's pocket, take the money out, and laugh at them. Why don't you just carry a gun? Why don't you just carry a gun? At least you'd be straightforward about it.

Crown corporations, Mr. Deputy Speaker, I was going to say that you don't need all this stacking of people to run the Crown corporations that's going around in circles on who has the authority. You know, when we were government, the chairman of the board - I can remember with housing - he had to report to me on what was on the agenda. He came in after the meetings of the board and went over the meetings and told me what had happened, kept me up-to-date at all times, and we were able to have a firm grip on the Crown corporations and know what was going on.

I thought that there would be Ministers over there capable of doing that, but there isn't one capable of it. You've got them as chairmen of the board; they've got members on the board; they're got absolutely no knowledge of what goes on within the Crown corporations because they haven't got a group of Ministers who knows one thing about administering or knows one thing about how to work with a chairman of a board of a Crown corporation. My God, when the chairman of the board is the Minister and you lose \$56 million, you know something's wrong and somebody should use their brains.

The F-18 that they talk about, they didn't stick up for the province. What did we do? We sent a resolution down to the Federal Government that said we were drastically disappointed, displeased, etc., but we will work hard in the future for the Province of Manitoba, and you know, we got the CF-5. And what did the Premier say? "Was it any good?" He really didn't think that much of it.

Then we got the program for more canola to be brought in Manitoba. We got a small program in Great-West Life to cover the dental program for the Federal Government. Then we've just had Versatile.

So what did we do? We said, sure, we had a setback but we'll carry on and we'll do things and work with the Federal Government to see what we can do for Manitoba, and what did you people do? You wouldn't even debate at it at your national convention, the F-18. What a bunch of - why don't you just take a gun? No, I wasn't there, but on television I saw them all stand up and - we're very pleased that they couldn't do it.-(Interjection)-

Mr. Deputy Speaker, let me say this one thing that I was going to touch on. I think I have a minute-and-a-half. They do not want any investment in this province. Do you know why? If you have -(Interjection)- Oh, there's big mouth again.-(Interjection)- Yes. If you have a situation that the socialists prefer - manufacturing, Mr. Deputy Speaker, is your base; manufacturing of your renewable resources is your base, use of your renewable resources is your base. There are your non-renewable resources and then there's the manufacturing within the province which is geometrically right for the province. That is what starts the ball rolling. That's why you have grocery stores, service stations, insurance people. That's why you have them because you have your investment base in the province.

Mr. Deputy Speaker, the socialist does not want that private industry investment. They want to be the manufacturer of the province and as manufacturer of the province the only way that they can make money is tax people. They take the money out of the peoples' pockets, Mr. Deputy Speaker, and they spend it wildly. They don't want investment in this province.

Thank you.

MR. DEPUTY SPEAKER: The Honourable Member for Kildonan.

MR. M. DOLIN: Thank you, Mr. Deputy Speaker.

It gives me a great deal of honour to follow the oratory and rhetoric of the Member for Surgeon Creek who I always find extremely entertaining although not too informative.

I would like to discuss some of the items and the philosophy behind the Budget. There are also some issues that I would like to bring up which I think honourable members on the other side might have some interest in, Mr. Deputy Speaker.

The first thing I would like to point out is that this is a fair and honest Budget.-(Interjection)- The Honourable Member for Minnedosa just suggested I read the paper. I will do exactly that. I will quote from the Globe and Mail, March 17, 1987, which says, "Manitoba Budget makes well-off pay as poor get break. In an attempt to reverse the impact of recent

federal budgets, Manitoba's New Democratic Party Government will make the province's rich pay the highest taxes in the country while cutting taxes for people on low incomes." That is, as the Member for Surgeon Creek has called it, "a socialist Budget." It is not a Budget that we on this side of the House are ashamed of; it is a Budget we are proud of.

As a matter of fact, I would remind, Mr. Deputy Speaker, the members of the Opposition, in hearing them oppose universality as a principle, I have heard them constantly state that those who can afford services should pay and those who can't should not pay.-(Interjection)- Where is the consistency in their logic? This is exactly what this Budget has done. This is exactly what members from the other side have called for, but when they call for it, it's right; when we do it, it's wrong. The fact of life is that this Budget does provide fairness to ensure that those who can afford to pay do and those who cannot don't.

I would also like to point out that I had some problem, Mr. Deputy Speaker, today in understanding the Leader of the Opposition's questions and also in his response to the Budget Speech. I really think that the Leader of the Opposition, being a reasonably intelligent person, having some experience as a legislator, should understand the meaning of the term "fair" and the meanings of the term "honest." I did not get that today. What I got, and I reread his speech today because I found it hard to believe, Mr. Deputy Speaker, what I got from his speech is here is the Leader of the Opposition lowering himself, demeaning himself, attacking the Member for Thompson, a backbencher, attacking the Member for Ellice. Now, talk about demeaning and cheap. For a Leader of an Opposition to lower himself to those kind of cheap shots supposedly while discussing a Budget which is fair and honest, I find appalling, but those are the tactics and I would like to get into that a little more.

From their seats during the course of this Session, the Member for Riel, the Member for Roblin-Russell, I have heard on a number of times sneering across the House at me "draft-dodger." "Draft-dodger," I have heard the Member for Riel say clearly on more than one occasion. I have heard this from the Member for Roblin-Russell also.

MR. DEPUTY SPEAKER: The Member for Riel.

MR. G. DUCHARME: However I might have wanted to say it, I have never called the member a "draft-dodger."

MR. DEPUTY SPEAKER: That's not a point of order.

MR. M. DOLIN: I would suggest to you honourable members I do not accept that; it is not a point of order. My hearing is as good as the Member for Riel and I heard him on more than one occasion.

However, if you would like some further proof, I will quote from Hansard, page 252, March 10, 1987 - the Member for Turtle Mountain referring to me - and I will quote this because I would like it repeated in the record. "I resent having somebody who fled his own country, because he was afraid to defend it, stand in this House and criticize the same institution, namely, the

Government of Canada, who let him in. Or maybe we should find a way of sending him back."

I would also like to quote the Honourable Member for Sturgeon Creek today, a mere 45 minutes ago, who said, and I quote, when talking about our supposed lack of concern for the agricultural industry who said, "There are those of us on this side" - and I quote verbatim and you can check Hansard tomorrow - "haven't been here long enough or who weren't born here," Mr. Deputy Speaker.

Now, this is interesting. No. 1, to go back to the Honourable Member for Turtle Mountain's statement about myself as a draft-dodger, I would suggest, Mr. Deputy Speaker, that this is, No. 1, unfounded; it is untrue; it is false; it is insulting; it is dishonest; it is prevaricating; and if it were within the rules to call this statement a lie and the person who made it a liar I would do so, but it is not within the rules, so therefore I cannot do so.

To set the record straight on the prevaricating accusations of the Member for Turtle Mountain, when I came to this country I was over age - perhaps my youthful appearance belies my age - to be eligible for the draft. I was also married at the time. I would also like to go on the record in saying I did, when I was in the United States and I do now in Canada, oppose the dirty little war that Lyndon Johnson, Henry Kissinger and Richard Nixon imposed upon the people of Southeast Asia. I would also like to say that I am very proud of the time when I came to this country where I supported war resistance, people who did not want to fight that dirty little war. I would also suggest to the critics from the other side that if they had any guts and they believed in free enterprise they would have joined that dirty little war. I know many Canadians who did enlist in the U.S. Army. Many of them have come back disillusioned and many of them have not come back.

Now, I would suspect when you start yelling "draft-dodger" across the House that you think a little bit about defending whose country and in what circumstances. I came to Canada by choice because I believe in Canada. I did not believe in that dirty little war in the United States. There were many of us who didn't, but certainly I would have fought any war where I was defending my country, and I will defend my country which is Canada.

What does this all mean? -(Interjection)- Well, let me tell you something. The night of the Budget, I was walking into the parking lot with the Honourable Member for Roblin-Russell. I queried him, saying, "Why is it that all you people think that everybody who comes from the United States is a draft dodger?" And he said - and I can't quote him verbatim, but I will quote what he said. He said, "Who do you people think you are, coming here and telling us how to run our country?" Now I hear from the Member for Springfield saying, "Right, right." Well, let me tell you something. I've thought about this and I've been thinking about this until today, and I wondered, Mr. Deputy Speaker - and you, Mr. Deputy Speaker, I think would understand this . . .

MR. DEPUTY SPEAKER: Order please.

Has the Member for Roblin-Russell a point of order?

MR. L. DERKACH: Thank you, Mr. Deputy Speaker.

I would just like to point out to the House that the comments that were made by my honourable friend were not only incorrect, but in fact, he is misleading this House and the people of this province by making that kind of innuendo, and I would ask the Chair that that remark, if he cannot quote it, be removed from the record.

MR. DEPUTY SPEAKER: A dispute as to what happened is not a point of order.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. L. DERKACH: Mr. Deputy Speaker, I am asking that the member withdraw the comments in reference to me when he said he could not quote them directly.

MR. DEPUTY SPEAKER: Will the member be more specific? What did the member say? What did the Member for Kildonan say?

MR. L. DERKACH: Mr. Deputy Speaker, I deny the fact that I said: "Who do you think you people are, coming over here and telling us how to run things?" Mr. Deputy Speaker, that is a direct misrepresentation of the conversation, and I demand that that man remove that from the record.

MR. DEPUTY SPEAKER: On the same point of order.

HON. R. PENNER: Mr. Deputy Speaker, yes, on the same point of order.

That is not a point of order. Any difference of opinion between members as to what was said outside of this House does not constitute a point of order. If, at a suitable occasion, the Member for Roblin-Russell wants to correct the record as to his impression of that conversation he can do so, but it is not a point of order.

MR. DEPUTY SPEAKER: The Member for Brandon West.

MR. J. McCRAE: On the same point of order, Mr. Deputy Speaker.

Madam Speaker, has ruled repeatedly, certainly during the last Session, that language found on one side of the House to be offensive language offered by members on the other side, if that language is found to be offensive then, therefore, that language must be withdrawn from the record and we, on this side of the House, ask Your Honour to direct the Honourable Member for Kildonan to withdraw his offensive language.

HON. R. PENNER: The Member for Brandon West, once more, reveals that his readings of the authorities are somewhat limited, and I can understand that. The reference to unparliamentary remarks are reference to remarks made within the body of the House. Differences of opinion as to what was said outside of the House do not constitute a point of order, do not call for withdrawal. A member may, if a member wishes, correct the record to the extent that that member is able to do so, and I invite the Member for Roblin-Russell to

do so at the earliest opportunity. But that does not constitute a point of order.

MR. DEPUTY SPEAKER: On the same point, the Member for Roblin-Russell.

MR. L. DERKACH: Thank you, Mr. Deputy Speaker. On the same point of order.

The Member for Kildonan has named me as making that remark, Mr. Deputy Speaker. I am saying to the House, I did not make that remark, and I find that remark offensive and I would appreciate, and I would demand that that member remove that remark from the record.

MR. DEPUTY SPEAKER: On the same point of order, the Member for Kildonan.

MR. M. DOLIN: On the same point of order.

I would point out to the honourable member, who I do not believe has a point of order in dispute, that I distinctly heard him say that. We walked to our vehicles which were parked together; we discussed further items of that nature and he certainly did say that and I will not withdraw it in any manner, shape or form because he said exactly that, and that was his intent. Now, if he is trying to deny that here, Mr. Deputy Speaker, I suggest he withdraw the denial.

MR. DEPUTY SPEAKER: The Member for Roblin-Russell.

MR. L. DERKACH: Thank you, Mr. Deputy Speaker.

Once again, I say to you and to this House that what the Member for Kildonan is saying is completely erroneous, and I think the fact that he is saying that is just simply a misrepresentation of a conversation that I had with him. It is unfortunate that his memory is so short that he cannot recall the incidence of that conversation. Mr. Deputy Speaker, because I find this offensive I think he should be an honourable member and withdraw those remarks.

SPEAKER'S RULING

MR. DEPUTY SPEAKER: Under our Rule 46: "No member may speak twice to a question except in explanation of a material part of his speech in which he may have been misquoted or misunderstood, but he shall not then introduce any new matter, and no debate shall be allowed upon the explanation."

Clearly, a point of order is a deviation from the Rule of the House inside the Chamber. A dispute as to matters of fact that take place, or have taken place somewhere else, is not an event or incident that is related to the Rules of Proceedings in the House. And a dispute as to events or facts somewhere else about misunderstanding can be corrected under this provision, Rule No. 46.

The Member for Morris.

MR. C. MANNES: Mr. Deputy Speaker, on a new point of order.

I believe that this whole problem could be resolved if the member would feel some incumbency to address

the motion, and that is the Budget. I have listened to him for 10 minutes, Mr. Deputy Speaker, and I haven't heard him mention one aspect of the Budget. And I think if you will draw him to order we won't have this problem.

MR. DEPUTY SPEAKER: The Member for Kildonan will proceed.

MR. M. DOLIN: Thank you, Mr. Deputy Speaker. As I think you've made clear to the House, there was not a point of order.

I would also like to refer members back again to something I commented on earlier, the matter that is on the record from the Member for Sturgeon Creek this very day, where he said, there are those of us who haven't been here long enough, or who weren't born here, which is somehow casting aspersions as far as the Member for Sturgeon Creek is concerned. I resent that. I also resented the comments that I heard from the Member for Roblin-Russell in the parking lot, and I certainly have no intention of withdrawing my resentment.

To answer the Member for Morris, I was dealing with the Budget. I was talking about the understanding of fairness on that side of the House, Mr. Deputy Speaker, and why I understand that the Leader of the Opposition and his colleagues have such a difficult time understanding fairness. They have this definition of "us." Who is "us"? That this province and this country was made for us. "Us" are the people who were born here. "Us" are the people who have the right religion. "Us" are the people who have the right skin colour. "Us" are the right people who have the right social class and social values. Well, I'm not a member of "us" and I don't want to be a member of "us." I think we rule this province and we rule this country because we are the cultural mosaic that this country speaks about.

I also feel when honourable members, Mr. Deputy Speaker, from the other side of the House, stand up and use the terms "cultural mosaic," they must choke on that, after the kind of comments I heard from the Member for Sturgeon Creek today, and after the kind of comments I heard from the Member for Roblin-Russell the other day.

I would like to go back to the idea of fair Budget and maybe explain the term "fairness" to the members for the Opposition. Fair is not dealing with us. Fair is to deal with all the people of this province. I believe that this Budget meets the commonly accepted definition of fairness; that is, sharing the burdens based on ability to bear those burdens, the more well-off being able more easily to carry a heavier burden, the less well-off being less easily able to carry a heavier burden. Therefore, we have designed a Budget, the Minister of Finance of this province, to recognize that fact.

Now, I think the reality is, I heard the Opposition Leader, yesterday, Mr. Deputy Speaker, in his speech, talking about 400,000 versus 100,000. I was under the impression that we lived in a fair multicultural civilized society, where the strong assist the weak and do not crush them, or as the Member for Sturgeon Creek would put it, put a gun to them. That's the intent of this Budget. It's those, who by no fault of their own, are unable to help themselves, such as the farmers in this province,

who are facing severe problems. We are attempting, through our Budget, to provide them assistance, not kick them when they're down, not just take care of us, the Opposition's definition of us, but all of us in the Province of Manitoba and all of us in the state of Canada.

I would also like to point out in some way some of the things that are in the Budget that exemplify this fairness. Farmers - the Opposition has expressed its concern when it seems politically appropriate and expedient to be concerned about farmers.- (Interjection)- Actually, a question has arisen: How many farmers do I have in my riding? As a matter of fact, I do have some farms in my riding. The relevant point I'm making, and I think that question brings out, is the matter of fairness. I am not only concerned as an urban member about urban people, I am concerned as a member of this government, Mr. Deputy Speaker, about all the residents of this province.

As has been correctly pointed out by members opposite, as the agricultural industry in this province goes, so go many other industries, and that is a concern to me, and it is a concern to this government, which is why we have taken this Budget to provide assistance to farmers, \$85 million, a 20-percent increase for the Department of Agriculture, which includes \$12 million in special farm school tax assistance, which I have heard crying and bleating from the opposite side that they want this to happen. Have we heard one word of praise, Mr. Deputy Speaker? Not a peep. It's not enough - spend, spend, spend. The \$84 million in financial support from the Manitoba Agricultural Credit Corporation, including \$29 million for new interest-rate buy down, I would suggest to you, Mr. Deputy Speaker, that as an urban member, I have concerns in my own riding, which I think should take precedence, but I do have concerns and understand the plight of the farmers. I am not specifically conversant with the technical details, but I do understand the need for fairness to the farmers, and this Budget provides it.

(Madam Speaker in the Chair.)

Tax credits, tax exemptions and other programs to improve the viability of farms and the farm community in Manitoba - it's a matter of dispute. Earlier this afternoon, in question period, Madam Speaker, was that this Budget provides personal income tax reductions to more than 100,000 Manitobans. Those are the Manitobans, Madam Speaker, who are in need; those are the Manitobans who are less able to bear the burdens. We, as the other Manitobans, living in a fair society, believe we should assist them, and this Budget is doing exactly that.

As a matter of fact, as the Minister of Finance pointed out earlier today, in this year it assists 156,000, not just 100,000. The Budget eliminates the levy for health and post-secondary education for an additional 3,700 small business employers. The smallest of the small businesses are the ones we have done this for. Why? Because it's fair; it's fair according to our definition of fair, not according to your leader's definition of the Opposition.

This Budget raises needed revenue fairly. This Budget protects our vital health care services, education and social services with an increase of \$209 million, Madam

Speaker. It expands our initiatives in areas such as child care for families and home care for seniors, the least fortunate in society. This Budget promises continuing progress.

Madam Speaker, I have listened in this House for two Sessions. Maybe I haven't been here long enough; maybe I'm unfortunate enough not to have been lucky enough to be born in this country, but the fact is: I think this is a good country, and this is a good province, Madam Speaker.

This province, because of the efforts of this government, has the lowest unemployment rate in Canada. We have programs which are enabling us, within the limits of our abilities as a small province, to assist the less fortunate, the farmers in particular, the aged. We have home care programs here; we have Pharmacare programs. We do not have programs to provide deterrent fees on medical care. We do not have the kind of programs that I gather members opposite, Madam Speaker, would be envious of in the U.S., where, hey, if you can pay, you can get the best medical care; but, if you can't pay, you die. That is not the kind of country I came to live in, and that is not the kind of country I am willing to continue living in. I would think that members opposite should consider the inconsistency of their arguments.

To say on universality - well, let's get rid of universality, Madam Speaker, and to say on that - let's allow those who can pay to pay, and those who can't, we will provide charity for. We're not interested in doing that in universality; there are other ways, Madam Speaker. We can do that by providing universal programs, which do not demean people or deny people their rights to independence. But we can, in a Budget, ensure that there is a fairness in ability to pay. We can also ensure, Madam Speaker, that this Budget goes a long way towards meeting the needs of the people of this province.

Let me comment on a few things. This Budget is an honest Budget. It is honest in a number of ways, but the particular way is that we are not kidding anybody, the taxes are going up. We are not kidding anybody and statistics do not distort the truth, that people are going to pay more taxes. The Minister of Finance, Madam Speaker, made that abundantly clear. What we are telling people is, yes, taxes are going up, but we are telling them why taxes are going up. We are going to protect the services of the people of Manitoba and improve service.

We, as a government, believe that is what the people of Manitoba elected us to do; that was our mandate and that's what they want us to do. In this Budget, we are going to do it.

I would also like to mention some of the criticisms I've heard of this Budget. The Chamber of Commerce of the City of Winnipeg, Mr. John Doole, and repeated by the Honourable Member for Sturgeon Creek, is that somehow the evil, iniquitous payroll tax will have no more investment in the Province of Manitoba. No one will ever come here anymore because of this evil, iniquitous payroll tax. Well, I would like to suggest that we have had this payroll tax in this province for a couple of years.

I would also like to point out that we gained 13,000 jobs in 1986 - 13,000 jobs. We have the lowest unemployment rate in Canada as of this point and time,

with the iniquitous payroll tax, Madam Speaker. We have the second strongest job-creation record from pre-recession peak through 1986, Madam Speaker. We have new jobs created in 1981 to '86, 57 percent were full-time jobs versus the national average of only 45 percent. Well, the horrors of horrors, it's the payroll tax that did this. I think maybe we should raise it to 5 percent, so we'd get 26,000 jobs instead of just 13,000 jobs. If this is frightening investment away from this province, let's frighten them a little more and get another 13,000 jobs.

I would also like to point out non-residential capital investment has averaged 13.5 percent increase in the last three years in the private sector. That doesn't sound like there's a great deal of fear of the evil socialist in the private sector.

Madam Speaker, I don't think this sounds like there is a great deal of fear or trepidation about the iniquitous, horrible, terrible payroll tax. I would also suggest that the payroll tax in Quebec which, Madam Speaker, my understanding is 3 percent, did not scare off Brian Mulroney from issuing the CF-18 contract to Canadair in Montreal. - (Interjection)- Or the prison, as my honourable friend mentions - or the prison.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. M. DOLIN: The Attorney-General has suggested that there are perhaps other reasons for building a prison in the Prime Minister's riding, such as a place to hold a Cabinet meeting. I would not say that, but I suggest it may be food for thought, Madam Speaker.

Another thing I see is from the same John Doole, this bearer of gloom and doom, is every time any tax goes up, payroll tax, which is a fairer tax by the way, Madam Speaker, because it is broader based than the sales tax, any time something goes up there is doom and gloom. There will be no investment, there will be no jobs. I hear that from the Leader of the Opposition; I hear it from the Member for Sturgeon Creek; I hear it from Mr Doole.

Well, that has obviously not been the facts statistically. If they would read the statistics put out by this government, by the Government of Canada, and by their own organization, they would realize this is the case.

I would also like to point out other horrors of horrors - the minimum wage. They complain about the minimum wage and how this frightens away investment and jobs. I would like honourable members from the other side of the House, Madam Speaker, or the Chamber of Commerce, if they wish to, to look at the minimum wage in every province of this country and then compare the minimum wage with the unemployment rate.

They will find in the provinces with the highest minimum wage the lowest unemployment rate. Now, if the minimum wage is scaring employers out of those provinces, it sure doesn't show that statistically. That is not a fact. Employees stay here. Employers open businesses because they have a work force they can trust, they have a work force that does its job and because they get fair and honest remuneration for a day's work.

Contrary to what the Member for Sturgeon Creek is trying to suggest, people want work; this government

wants to put people to work; but we want to put them to work in a fair and equal situation and not in the kind of situation where below minimum wage were without proper labour management protection.

I would also suggest that there was a resolution before us in this House, brought in by the Member for Brandon West which says, "WHEREAS Manitoba labour law is frequently cited as a key negative factor in investment decisions which benefit workers in other parts of Canada to the disadvantage of Manitoba workers," and further goes on to say "where certification and cancellation of certification provisions of the Manitoba Labour Relations Act are viewed by investors as a disincentive to investment in Manitoba."

Madam Speaker, the figures speak for themselves. We have been praised nationally as having the best and fairest labour laws in this country. I would also like to point out that the investment figures in this province belie the preamble of this resolution and the principle stated by members of the Opposition.

I would also like to point out that this province has the lowest rate of person days lost to strikes and lockouts between 1982 and '86 of any province in this country, Madam Speaker. Time lost for work stoppage has been less than one-fifth of the rest of Canada and this is because of these terrible draconian labour laws.

Well, let me tell you, if I were an employer in this province - and I have been an employer in this province - in spite of what some of my failure friends on the Opposition side may think, is the fact you like honest, open, above-board labour negotiations where management and labour can sit down and come to a fair working agreement without the need for stoppages, for lockouts, because that makes your operation efficient, it makes business efficient and it makes this province progress.

I think the honourable members from the Opposition side, if it is that they do not understand this, Madam Speaker, they are unwilling to face the facts. The facts are investment has improved in this province; labour strike has decreased in this province; fairness in taxation is appearing in this province as a reality because of this Budget, that we are taking a compassionate and fair role. We are explaining to the people of this province, Madam Speaker, that, yes, your taxes are going up, but we are going to do things fair, honest and compassionate with that money. We are going to increase health, education and social services by \$209 million, Madam Speaker.

We believe the people of this province do not believe in the "us" that I have heard from members of the Opposition, that you do not have to be born in this country to reap the rewards and to take the responsibilities for being a citizen of this country. We believe that people in this province want to share. They want to share the burdens; they want to share the rights; they want to share the pleasures of being a citizen of Manitoba. And we are providing them with the opportunity of doing that.

We believe that the people of Manitoba will grumble about this Budget. Nobody likes their taxes to go up. Nobody is pleased by increasing monies coming out of their pocket, but we believe the people of Manitoba will accept what is fair, Madam Speaker.

We believe that this a courageous Budget. Not only is it a courageous Budget, it is a Budget that is a lot

more honest than has been put in by the honourable members from the senior level of government. We don't see any hidden sales taxes. We don't see any costs that are being talked about equivalent to a VAT, which is a value-added tax which the Federal Government is suggesting which has been put on in the U.K. which taxes at the middleman level so the consumer really never knows that he is paying the tax.

We are letting people know, yes, you are paying. We are more importantly telling them what they are paying for. People in this province gave us a mandate one year ago today, Madam Speaker. They gave us a mandate one year ago today. I congratulate, by the way, all members for having gotten their mandates one year ago today.

The mandate was that the people said what we want is we want a government that's fair, we want a government that's compassionate, we want a government that's upfront, that does not present us, Madam Speaker, with a position that we are going to build a bridge in every little riding in the province, that we are going to build a hospital where anybody asks for one, that we are going to build anything that anybody wants, and then come back and say we can't afford it, we're going to balance the Budget at the same time.

What people in this country and in this province have seen, Madam Speaker, they have seen what this government provides, what this government is going to provide - an honesty in the Budget. It's tough honesty, tough love. This could be probably called a "Tough-love Budget."

The fact is people are not going to see 2,000 civil servants in this province lose their jobs as they did in Saskatchewan. They are not going to see 3 percent cuts in hospital care and personal care homes as they did in Alberta. They are not going to see the massive deficits that those two provinces have.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. M. DOLIN: I have been asked to entertain a question by the Member for Brandon West. I would suggest if the Member for Brandon West listened a little more carefully to some of the facts and figures that I have been quoting, he might have less of a need for questions and might have a little more information, rather than just talking about the terrible labour relations in this province when that is not the case.

Madam Speaker, I will close by saying this about this Budget: this is not a pleasant Budget; this is a fair and honest Budget. It is balanced and it will help to ensure, Madam Speaker, continued growth and well-being of the people of our province.

It is not a Budget that sneaks around. It is not a Budget that goes behind somebody's back. It allows the Opposition to do its job to criticize. It allows us to stand up for what we believe our principles are. I commend the Minister of Finance for having the courage to put in this Budget. I commend him not only for having the courage to put in this Budget, but for the principles articulated in this Budget and the principles that we, as a socialist party, stand for.

Thank you, Madam Speaker.

MADAM SPEAKER: The Honourable Member for Minnedosa.

MR. D. BLAKE: It's always a pleasure to rise and debate the Throne Speech or the Budget Speech. The Throne Speech really wasn't worth debating, I suppose, so I didn't bother with it; but I wouldn't want to miss an opportunity on this glorious Budget, as we've just heard from the Member for Kildonan, which I may have a word about later.

But, Madam Speaker, it's customary to recognize, I suppose, those that have been shifted or elevated in the benches across the way. There have been some changes in some portfolios. I suppose it's a little like rearranging the deck chairs on the Titanic.

I congratulate the Member for Rupertsland on being elevated to a full Cabinet Minister's rank, and I'll have the opportunity to go over his Estimates with him when we get into the Estimates process.

I don't know whether to congratulate the Member for The Pas on his new responsibilities for the Workers Compensation Board because I do sympathize with him on some of the problems that he has over there. There are some suggestions that it could be another MTX, but I know there has been a pretty comprehensive study undertaken; and I'm sure, when he gets that report and provides a copy to the members of the House, we may be able to provide him with some constructive suggestions or criticisms on the way that department is operating.

Madam Speaker, just to digress for a moment and mention the Member for Kildonan went on one of his usual tirades, but he seemed to emphasize that the party over there represented the ordinary people - they don't like "average" now, so they're using "ordinary" - and it's always been a belief of members opposite that they have a monopoly on ordinary people, that those are the people that support them.

I want to tell the members opposite that I have an awful lot of average or ordinary Manitobans living in my constituency and a number of them support this particular party, so if there's any misconception over there that they have monopoly on the so-called "little man," I want to dispel that myth that they've carried with them for so long.

The Member for Kildonan mentioned the president of the Winnipeg Chamber of Commerce who was a doom and gloomer. This particular Finance Minister has met with a great number of groups throughout Manitoba to glean their ideas and thoughts on how he should proceed with a good and fair Budget, but those meetings, I don't know how many years he's going to continually take those people in, because he listens to their remarks and their ideas and then goes merrily on his way, so the listening process doesn't seem to amount to too much.

Just to alleviate some of the concerns the Member for Kildonan has about not having been born here, let me assure him that I, for one, don't particularly care where he was born or if he was - he might have been issued, for all I know - but we do appreciate good citizens coming into our country and making their contributions. I would like some of those that have been born in his motherland to maybe be a little supportive and helpful in our friendly relations with our good neighbours to the south. I haven't seen that forthcoming too often from members that have come to us from the United States.

But, Madam Speaker, a year ago today - I notice the members opposite are wearing buttons of "Stand Up

for Manitoba" - and it was a year ago today when the voters of Manitoba decided that they would re-elect this government. I just wonder how many of them, after analyzing this Budget and finding out how they're being ripped off by this socialist government of ours, just whether they would feel the same way on giving them a vote of support today as they did a year ago. I would just keep reminding members opposite that it wasn't that great of a majority that they got, so they should be ever vigilant because things can change very quickly, Madam Speaker.

This is the time, I suppose, in this particular phase of the debate, that we speak on the amendment that was put forward by my leader, which I can support wholeheartedly. I can't say the same about the Budget Address.

I won't digress too often, I hope, Madam Speaker, but I did want to touch on some of the remarks that the Minister of Labour made yesterday when he went into one of his usual tirades. We know that he's the most incompetent Minister over there. I can't say it's one of the worst speeches - all his speeches are bad - but it was a particularly bad one yesterday. I wasn't in the House for it all, but we happen to have sound in the caucus room and I caught the portion where he was talking about raising funds and he was going to cut out the defence spending. I think he said we could do with one less CF-18 here and there, and the Navy has ordered a bunch of frigates; and in his attempt to be humorous, which he has difficulty doing, said we could just frigate away in one of those boats. He knows all about frigating things away. He was pretty successful with \$27 million bucks in MTX. But that was a new concept, Madam Speaker.

And I thought on how to raise funds for some government spending, and it might be nice, but I think the general agreement seems to be in balance now that the two super powers are getting somewhere in their talks to try and slow down the arms race and that's certainly all well and good. But I don't think, as the Minister might have suggested, just because Gorbachev says, "Let's lay down our arms and be friends," that we should just jump to that bait too quickly because we've seen some of the negotiations with that particular group in the past, Madam Speaker, that haven't been all that successful.

The point that I wanted to make in his suggesting that the Federal Government could cut a few billion dollars out of their Budget, and I suppose he wanted it directed into the Province of Manitoba because that's the province that seems to be shortest of money, but that becomes a matter of priorities. The Federal Government happens to feel that's a strong enough priority that is necessary to direct certain funds to them. If the Minister was really serious about having priorities on the raising of funds and the spending of funds, I would direct him to the money that was lost in MTX. That could have been directed into health care.

We're not sure what the cost of the bridge is yet, Madam Speaker, because it started out at 10, but then we had to build it twice as long, so it became 20; and I suspect that it may be a little more than that when they finally build some roads to connect it to some place or other.

There's a great deal of money there that could have been directed to Farm Aid, to agriculture, which got

some aid in the Budget. We're happy for that, some \$14 million, but if we hadn't have spent \$20 million or more on that bridge, maybe we could have built some more highways.

Just while I have the Minister of Highway's attention, Madam Speaker - we won't say too much about it until we get into his Estimates - but there was \$50 million offered by the Federal Government for the Yellowhead route if it was matched provincially; and I hear pretty strong rumours now that they're going to blow about \$15 million of it on a cloverleaf at 16 and No. 1 at Portage that we need like a hole in the head. It's like the bridge north of Selkirk; it's not necessary at this time; and in time, they're probably going to need a bridge there. I understand they're already planning now another bridge south of the one they've got at Selkirk where the first one should have been located and we wouldn't have had this great expense.

That money, if we're talking about priorities, Madam Speaker, could have been directed to agriculture or to health care, and God save us if we're going to have to rely on the lotteries and the gambling casinos to provide extra funds for some of these social programs.

But, Madam Speaker, the Member for Thompson put some great material together and, of course, he went off on his usual speech on the Budget. He started off saying that he wanted to talk about policies, but we didn't get to the Budget and we didn't get into much of it that I listened to in the first 15 or 20 minutes. All he did was run down the Tories. He did mention tuition fees.

In our time, we had increased tuition fees at the university, and I remember that very well, Madam Speaker, because he was leading the pack when they marched on the Legislature. Here's this young radical, president of the students' union, in hammering the counter in the Cabinet room, saying that we had done great damage to the university. I noticed enrollment didn't drop all of a sudden and those tuition fees really didn't hurt that much and they have to go up, as we all know, and they probably have to go up again.

But we all know with the wild spending, Madam Speaker, that this government embarks on - we saw 16 years of it in Ottawa with the Liberals that has pretty well ruined this country and we're well on the way to that in Manitoba, which disturbs me greatly with many of the rumours that float around about the chances of the federal NDP forming the government in Canada. All I can say, Madam Speaker, is God save Canada, if that ever happens.

The Budget, I think this time, Madam Speaker, I think the Finance Minister has gone a little bit too far. I think he's gone a wee bit too far on this particular Budget, because the people have finally caught on. This is the biggest tax grab in our history - that's been stated over and over and over again. I think the people are now finally sitting down and realizing just what was in this Budget and what it's doing to their income and to their way of life. - (Interjection)- The average Canadian, the average Manitoban.

HON. B. URUSKI: It's the average for you.

MR. D. BLAKE: Thirty-five thousand is the average wage. The Minister of Agriculture says, "It might be

average for me." Thirty-five thousand is the average wage in Manitoba. You love to brag about that on how well our province is doing.- (Interjection)- Certainly, they're going to get walloped pretty hard. They're going to get walloped pretty hard.

HON. V. SCHROEDER: Tell me how many departments pay their workers \$35,000.00?

MR. D. BLAKE: You're making well over \$35,000.00.

A MEMBER: Whose fault is that?

MR. D. BLAKE: Who said the farmers made \$35,000.00?

HON. V. SCHROEDER: You said that's the average wage.

MR. D. BLAKE: Not on the agricultural sector, not on the agricultural sector. I never said the average farmer was making \$35,000.00. Madam Speaker, they're trying to put words in my mouth over there.- (Interjection)- I'm using some of the Member for Brandon East's statistics, when he brags about how well we're doing in Manitoba.

You take all of the teachers, firemen, policemen, politicians, they all make over \$35,000.00.- (Interjection)- Sure they are. We're their representatives; we have to be average. Some of them not quite as average as others, some a little better than others.

But, Madam Speaker, I think this time this tax grab is finally going to come home to roost on this government, because spending hasn't gone down; spending has increased over 9 percent, double inflation. Where are they going to get the money next year? They're not cutting back on their spending. Next year they're going to need a bunch more money. Is there going to be another tax increase next year? Will we see 1 percent on sales tax next year and another .5 percent on the payroll tax?

There just doesn't seem to be any control over the spending and I think that's what people were looking for. They know that if we're ever going to get rid of the deficit, taxes have to go up.- (Interjection)- It's too late, he missed it. He'll have to read it in Hansard. I thought maybe he was out arranging another flag burning or something.- (Interjection)- This is a broken-record theme we get from members opposite. Madam Speaker. Where would we cut? I'll tell you where we would start - with about 130 apple polishers you've got, you did make an attempt in your advertising budget which was \$4 million or \$6 million - you are cutting that a little bit. There are some places to cut.

A MEMBER: That runs the hospitals in Manitoba for half a day.

MR. D. BLAKE: Well that's right and they're not being run that well. They're going to need more money. You've got half yours in Brandon closed now because there's no funds for them. We're just waiting with bated breath to see when we're going to get the CAT scanner in Brandon. We had three of them promised during the election but that was a year ago, so we'll be happy to

see that. I hope the Member for Brandon East invites me to the ribbon cutting.

HON. L. EVANS: Yes, sure, you're welcome to come.

HON. R. PENNER: Not only that, you can go through the CAT scanner while you're there.

HON. V. SCHROEDER: That's right, there's more than one way to scan a "CAT."

MR. D. BLAKE: I've been through one, I don't want to go through another one.

Madam Speaker, the Member for Brandon East wants to know where we would cut. There are 21 Cabinet Ministers over there, Madam Speaker, the highest number of Cabinet Ministers we've had, I suppose in history; you could drop three or four of those.

A MEMBER: Oh, Dave, don't be cruel.

MR. D. BLAKE: Absolutely, double up some of these portfolios - I know the former Minister of Finance could handle another one on his lunch hour - some of the smaller ones, you know. But the minute you start that, right away they say, oh you're going to slash this and you're going to slash that. You're going to bring in user fees.

I'm glad the Minister of Health has walked into the House, because privately maybe he might be a little ambivalent on user fees, but in the political arena, you'll never get him to mention it. But the Minister of Health, Madam Speaker, has got the biggest chunk of the Budget. He's probably going to need a bigger one and I don't know how he's going to stop those costs from rising. We don't want to see services cut; nobody wants to see them cut, but it's becoming a bigger and a bigger problem.- (Interjection)- No, you've got to create more wealth, get a bigger pie and a bigger pie. Open it up for business, open Manitoba up for business. Madam Speaker, and possibly we might get a little bigger share of that pie.

The Budget, Madam Speaker, with its taxes - and we know how much of it is going to go for debt servicing - we have to borrow another 1.5 billion this year. We don't know what kind of a rate we're going to have on those borrowings, because we're not too sure what this Budget's going to do to our credit rating. It dropped in Saskatchewan with their deficit. This deficit, we don't know what it's going to be. It's going to be higher than the last one probably, even though they're projecting it a little bit lower.

The Minister, in presenting his Budget, Madam Speaker, it was carefully crafted. He mentioned there'd be 100,000 paying less. He doesn't mention the 400,000 that are going to be paying more. That's a cute little play on words that all politicians use, I suppose, and that's fair game but I say they're catching on to them. This Budget has gone a wee bit too far, and the people out there are starting to analyze it and just see what it's going to cost them. I won't bother going through all of these clippings, but it's all over the papers. Madam Speaker. It's not just the members of the Conservative Party saying this.

I mentioned earlier about the consultative process that he uses with the Chamber of Commerce and

various other groups that he doesn't seem to listen to. One of the editorials says exactly that, "There are None So Deaf," and I'm quoting from it: "Could Finance Minister Eugene Kostyra have possibly have been any more divorced from reality than he was on Monday night? Kostyra is fond of quoting his two rounds of consultations with business, labour and community leaders to justify the government's final decisions, but those meetings were clearly set-ups in which Kostyra heard only the voices he wanted to hear."

Madam Speaker, exactly what I'm saying, the great charade they go through every year of having these meetings throughout the country to try and listen to the various groups that should have an input into what's happening in Manitoba just doesn't seem to materialize.

I mentioned some of the losses, Madam Speaker - MTS and the cost of Sam's Bridge north of Selkirk - but it's absolutely shocking when we get the Manitoba Public Insurance Corporation report and find out the massive losses that we've suffered in that corporation. Like the former Minister of MTX, the Minister said: Well, we're not responsible, the management must have done something wrong.- (Interjection)- The Minister, Madam Speaker, is chairman of the board - not only Minister responsible, he's chairman of the board - and I assume sits in on the meetings.

I was a bank manager for a long time, Madam Speaker, and if the staff got their fingers in the cookie jar, I was the guy to answer for it. I was the guy that got canned. When you've got some responsibility - and he's the guy running it, he's chairman of the board.

You take a big corporation that takes a bath on something, the chairman of the board's gone.- (Interjection)- Absolutely. We'll have to wait and see just what the final results of this particular development are.

Madam Speaker, we've heard them on that side of the House bash the feds: if we only had more money from the Federal Government, we could do so many more things, and we could provide these services. We have to cut here and cut there, because there's no more money coming from Ottawa.

Madam Speaker, some figures crossed my desk today that I would like to relate to you and it's the Federal Government expenditure on agriculture in Manitoba. I should send a copy of this over to the Minister of Agriculture because he may not be aware of it. This past year, Madam Speaker, in excess of \$500 million has flowed into agriculture from the federal scene. The Western Stabilization Fund provided \$150.8 million; Agricultural Stabilization, 6; Crop Insurance, 20 million; payments under The Western Grain Transportation Act, 158 million; Special Canada Grains Program, 151 million; and other programs such as Dairy Subsidies Advance Payments and Research 47.7 million; 533,900 million, Madam Speaker. All we hear from them on the other side, well it's the feds, if only we could get more money from Ottawa we'll be able to do so much more.

There's no question, Madam Speaker, that the Federal Government inherited some tremendous problems when they formed the government in Ottawa. It's going to take them a long time to come out of it, but they're making great strides.

I think Finance Minister Wilson is one of the best finance Ministers we've had.- (Interjection)- I'm going to get to that because it helps you. The Federal Budgets,

the better they are, the better yours can be. He's one of the best Finance Ministers we've had and he's going to need time to right the ship. He's going to have to right that ship that was floundering badly when he took it over; he's on the right track; he's staying to course; but he's got a terrible mess to clean up, just as the next Finance Minister, who takes over from this government, is going to have a terrible mess to clean up.

The Budgets have soared under this government's mismanagement, Madam Speaker. The deficits have soared into astronomical amounts. The average Canadian, or the ordinary Canadian, as they want to call them, cannot comprehend the size of the debt that this government is running up. When you talk in the millions and billions, it gets lost on the little half-section farmer, the grocery clerk. He doesn't realize what 2 billion or 1 million is, but you relate it to his house, and you tell him his taxes are going to go up another \$600 or \$700, he might understand that. The feds are on track and they're trying to get the ship righted. I hope this government will take a little lesson from some of the actions that they've been taking down there about trimming some of the fat and trying to control some of their expenditures.

There doesn't seem to be any effort being made by this government to control expenses, absolutely none. There's no layoff on the apple polishers. I don't know how many the Minister of Natural Resources has got in his department, but he's probably got a handful. I expect they're doing a fairly good job, because he gets here on time every day for question period, his tie is on and he's well dressed. So I think they've got him presenting a nice image. He smiles at the camera nicely. So they're doing their job, I suppose; but for 50,000 or 60,000 a year, I don't know whether the taxpayer really needs that. I know the Premier does, because he may have trouble dressing himself and getting here on time.

Madam Speaker, this is where some fat could be cut and there's no one on the other side can tell us any different. That department has - what's the right word I'm looking for? - burgeoned. Close. There's no need for that at all.

The Premier gets up and says we're going to have a leaner, meaner government. My goodness, talking about leaner, meaner governments, I mentioned "Mean Gene the Tax Machine." I just wondered if he posed for this picture, or did they just snap it of him, because they've captured . . .

MADAM SPEAKER: Order please.

May I remind the honourable member to address members by their proper titles.

MR. D. BLAKE: My apologies, Madam Speaker. I was referring to the friendly Minister of Finance.

Madam Speaker, that's what I'm getting at. They've taxed us with a tremendous tax bite. As I mentioned earlier, I think the public are finally on to them this time, that they've gone a wee bit too far. People are starting to take a long hard look at their incomes and many of them now have had to send a second member of the family out to work. Well, with two incomes, you're over that little poverty line of \$15,000, or whatever the

limit is where you eliminate your tax or get away without paying tax.

The Minister of Finance can juggle and come up with all the figures he wants, but at the end of April, when those people make out their tax return and find out what bite has been taken from them after this Budget, they're going to be reeling and saying what has really happened to us in Manitoba? We've always had a pretty good province and why do we let 10 or 12 years of socialist government bring us down to this state where we've got debts that we'll never get out of years and years?

Heaven forbid the next Finance Minister, who takes over that portfolio, Madam Speaker, has got a horrendous job in front of him to try to get this ship of state, the finances of this province, back into some sort of order where they can start cutting the deficit and start cutting the taxes.

There's a great cry across the way, Madam Speaker, that they're taxing the wealthy. We all know they could take all the wealth and what they consider wealthy in this country and it wouldn't run the government very long. The Minister of Corporate Services said all of these cuts wouldn't run the hospital for half a day, and I agree the hospitals are very expensive. But at least you can start, at least you can make a start, Madam Speaker, and the start has to come from the Finance Minister who lays it on the Cabinet that these cuts have to be made and no fooling around. That's the only way he's going to get this ship of state back in order.

Madam Speaker, there's a great deal more here that I could criticize this government for, but it's been done by some of my colleagues and it'll be done throughout the rest of this week in debate. I did have to chuckle, Madam Speaker, in going through the Budget, and I came across this one little article which says, "We must and we will continue our careful economic and fiscal management and strive for sustained progress toward both our social economic goals." "Careful economic and fiscal management," - well, that hasn't been very evident to us, Madam Speaker, so far.

A MEMBER: The best-kept secret in this government.

MR. D. BLAKE: You bet.

He goes on to mention the examples with assistance under their Jobs Fund. He mentions Carnation Foods and there's a couple more of them here: Palliser Furniture and Guertin Bros. You'd think the Jobs Fund was responsible for all of these great developments or plant enlargements. The Federal Government put more money into those projects, Madam Speaker, than this little Jobs Fund ever thought of, but there's not a mention about federal-provincial cooperation and sharing. That was one of the First Minister's promises that he was going to cooperate. Well, we've seen how much cooperation that he's done with the Federal Government.

So, Madam Speaker, with that I'll leave it to others on this side of the House to point out the errors of the Finance Minister's ways and hopefully some of it may brush off and possibly he will get his spending under control and maybe next year we might see an improvement. It looks like we're stuck with this government for another couple of years unless disaster

strikes and they have a couple bolt ranks over there, a couple bolt ranks on that side. I don't mean disaster striking, Madam Speaker, in any physical terms. Some of them may become enlightened and decide to sit on this side of the House and then it would be very difficult for the House Leader to get any bill passed let alone The City of Winnipeg Act.

Thank you very much, Madam Speaker.

MADAM SPEAKER: The Honourable Member for Burrows.

MR. D. BLAKE: I've always said nice things about you, Conrad.

MR. C. SANTOS: Thank you, Madam Speaker.

The Member for Minnedosa has been very kind. Last Wednesday I was privileged to be invited to a civic function where the Honourable Samuel Freedman, the Chief Justice of the Court of Appeal was honoured. He was telling an anecdote which I would like to repeat in this House.

A MEMBER: Is it clean?

MR. C. SANTOS: It's clean.

He said there was a judge who was confronted with a civil case where a huge amount of money was in dispute and involved, so he got two envelopes full of bills. One from the plaintiff and it amounted to 10,000 cash. The second envelope came from the defendant and it is about 15,000 cash. So, the old venerable judge said to himself in the quiet of his study room, I have to be fair to the parties. I must return this 5,000 to the defendant so that I can settle the case on its merits.

We often talk about justice. We often talk about equality, equity, social justice. What I'd like to do on this occasion, Madam Speaker, is to talk about the meaning of social justice in society. I like to acknowledge my indebtedness to John Rolls, (phonetic) Professor of Philosophy from Harvard who wrote a book entitled, "A Theory of Justice." However, I will also consider and analyze some other ideas of justice from other sources.

What is the idea of justice? How are we to define justice in our society? What are the principles of justice? Exactly what do we mean by social justice? The Christian Emperor of Rome named Justinian once defined justice as follows: "Justice is the constant and unceasing disposition to render to every person his due." *Justicia est constant et perpetua voluntas jus suum cuique tribuendi.* Justice is the constant and perpetual disposition to give to every person what is his due.

For justice to be constant, it must satisfy at least three essential requirements. First justice must be founded upon the truth. Truth is the one best foundation upon which we can establish any kind of social system. It is written, "And you shall know the truth and the truth shall make you free."

The second requirement of justice in order that justice may maintain its character as a constant and unceasing disposition to give to every person what is his due is that it must be given to all. It cannot be given to some and denied to others. Once it is given to some and

denied to others, its character as justice immediately vanishes and it immediately turns into its opposite what we call injustice.

The third characteristic of justice is that it cannot be delayed. We often hear the saying, "Justice delayed is justice denied." Therefore, justice that is delayed will lose its character and also will become and turn into what we call injustice.

If justice is the constant and unceasing disposition to render to every person what is his due, the next question we have to ask is what is due to every person; what are these important values in life that are due to everyone as a matter of justice by virtue of their being members of humankind? The first and foremost human value to which in the name of justice is due to every person and of whom every person has a claim as a matter of justice is the value of human dignity. We start with the basic premise stated in the universal declaration of human rights which asserts and I quote, "All human beings are born free and equal in dignity and rights." "Toute le monde est né libre et égal en dignité e droit." "Todos los seres humanos han nacidos libre y iguales en dignidad y derechos."

(Mr. Acting Deputy Speaker, C. Baker, in the Chair.)

And if I want to say it in Ukrainian and I'd like to try it, "Kozhna lyudyna rodytsya vilnoyu i rivnoyu v hidnosti i pravakh."

All human beings are born free and equal in dignity and rights. There can be no distinction as to matters of dignity. All human beings have equal dignity. We cannot make any distinction between human beings that are born in this country and human beings that are not born in this country. It is a matter of human dignity. It is a matter of essential justice. Every human being has a claim to human dignity.

No matter what our social and economic position in life may be, every person has a rightful claim to be treated as a moral being with integrity, a moral being with honour and with dignity, a moral being with self-respect and with self-esteem.

It is human dignity that gives meaning to our life. Without dignity, we only have existence. If we keep our dignity, if we keep our self-respect, then we can live life fully abundantly, but if we lose our integrity, if we lose our self-esteem, our life becomes no better than vegetable existence. How are we to describe a person with integrity and with dignity?

I think he is the person who has confidence, self-confidence, but does not show it. The man with dignity is a person who can be courteous in the face of discourtesy. The person with dignity is one who keeps his word, he keeps his temper and he keeps his friends. The person with self-respect is one who wins respect by being respectable and respectful. The person with dignity is the one who has a steady eye, who has a steady nerve, a steady tongue and steady habits. The person with self-respect is one who is silent when he has nothing to say. A person who has self-respect is one who is calm when he judges and he is humble when he misjudges. That defines the person of integrity and self-respect, what we call a gentleman.

Next to the value of human dignity or self-esteem or self-respect, what are the other values that are due to us as a matter of justice? The next value in mind

that we are entitled to, as human beings, as our natural right, is the value of liberty. Liberty is the freedom to say or to do that which will not harm another. My liberty to extend my arm ends where your nose begins, my liberty to say anything else, where your reputation begins. Correctly understood, liberty is the right to do that which is good, that which is honest, that which is righteous and that which is not prohibited by law.

Given these two basic values of human dignity and liberty, according to John Rolls (phonetic), we must, before we can even conceive or formulate any principle of justice, we must set forth a hypothetical condition, a setting which, in theory, will correspond to what was the state of nature before human beings entered into social contracts for the establishment of society, namely a condition, an initial contractual condition of persons in an original position of equality. What was that original position which is equivalent to the state of nature before men enter into a social contract and create society? It is that condition or situation of a person where no one knows his place in society. There was a lack of knowledge as to his status or his position in society, where no one knows his fortune, in terms of his natural abilities, such as his intelligence, his strength, his foresight and other natural assets; and where no one has any preconceived notion of what is good or what is desirable.

It is essential that we establish such a hypothetical condition; otherwise, those who will formulate principles of justice, will formulate the principle in such a manner that it will suit their particular position. It is necessary that there be this state of blissful ignorance as to what is one's fate and what is one's fortune, under the rules that they're going to formulate. If that were not the case, then people who make decisions will make decisions that are favourable to their own particular situations, favourable to their own social and economic conditions.

This initial position of unbiased deliberation and discussion must take place in order that people may not tailor the principles of justice that they will formulate in order to feed their particular interests. In other words, there should be no conflict of interest to those who make the rules, that the rules will be favourable to themselves. There must be no one who has axes to grind.

If that were satisfied, then principles of just rules of law or just decisions can be arrived at. Given the basic values of human dignity and the value of human liberty and assuming an original position of equality of blissful ignorance as to one's social status, abilities or fortune, we can formulate according to this philosopher. What we call the first principle of justice, he calls the principle of equality - equal rights.

It is as follows: "Each person is to have an equal right to the most extensive system of equal and basic liberty, compatible with a similar system of liberty for all." That's the first principle of justice. Each person is to have an equal right to the most extensive system of equal and basic liberty that is compatible with a similar system of liberty for all. This is the first principle of justice, justice as equal liberty for all.

However, that principle admits of some qualification, in two senses at least. Liberty may be restricted for the sake of liberty alone. Firstly, that less extensive liberty may be permissible to be given to some, if, and

only if, the less extensive liberty will strengthen the total societal system of liberty.

Secondly, less than equal liberty may be permissible in society, if, and only if, less than equal liberty is acceptable to those who are to have less than equal liberty. If you satisfy those two conditions, it will still be a system of the most extensive equality of liberty for all, with some disequality permitted, but for the sake of promoting the total societal system of liberty.

The next, after dignity and after liberty, John Rolls (phonetic) goes on defining certain other human values. "The next pair of values in a just and well-ordered society," he said, "are the value of power and the value of opportunity." What do we mean by power? Power in society. Power is simply the capacity of an individual or of a group to modify the attitude and thunder of another individual or group in such a manner or such a direction that the person or the group exercising the power desires, enabling him or the group to carry out their wishes, despite opposition from all others. That's power. It is the capacity to modify the behaviour of another, or his opinion or his action in such a manner it will be favourable to the person or group exercising the power.

What is opportunity? Opportunity is simply the chance for self-advancement. It is brought about by one's own initiative, by one's own insight, by one's industry, by one's integrity. When is there equality of opportunity in a community or a society? There is equality of opportunity in a society when individuals are treated impartially, when everyone, no matter how low he is or how high he is in the social status rankings, has all the opportunities to exert his talents, his abilities and skill and achieve whatever his talent and his abilities may permit him to achieve without any artificial barrier imposed by the social structure. That happens in our society when there is equality of opportunity.

There is equality of opportunity when individuals are treated impartially and fairly in the formulation of institutional rules; there is equality of opportunity when individuals are treated impartially and fairly in the application of the substantive contents of these rules; and there is equality of opportunity when individuals are treated fairly and impartially in recognition of their human capacity to participate in the making of decisions.

The other two pairs of values, which are economic values that are important to all people, are the values of income and the values of wealth.

What do we mean by income? Income means the monetary return that we create, and then we try to make this monetary return last longer by living prudently within our means. That is to say, we spend less than we earn and hopefully and preferably without the help of credit cards. If we spend more than we earn, then we cannot create any income. What we create will be debts.

(Madam Speaker in the Chair.)

What do we mean by wealth? Wealth is the surplus value after all the necessities of life have been met, which people gradually accumulate by hard work and by thrift if they accomplish this by honest and honourable means; or it may happen by luck, such as making profitable bargains; or it may happen by the

exploitation of others, of the labour of others, if the accumulation is done in a dishonest and dishonourable way.

Now, given these values of power and opportunity, given these values of income and wealth, and confronted by the harsh reality in our society of the fact to all social and economic inequalities that infinitely exist among us, we now can formulate the second principle of justice as follows.

Social and economic inequalities are to be arranged so that such social and economic inequalities are attached to offices and positions that are open to all under conditions of fair equality of opportunity so that such social and economic inequalities inure to the greatest benefit of the least advantaged, subject to the principle of just savings between generations. This is the second principle of justice known as the greatest benefit to the least advantaged.

The second principle of justice as the greatest benefit to the least advantaged in society also admits of qualifications in at least two senses. You can also qualify this principle. First, that such inequality of opportunity may be permissible if, and only if, such inequality of opportunity enhances the opportunities of those with the least opportunity. So you can restrict also the quality of opportunity but only in favour of those with the least opportunity.

Second, an excessive rate of saving may be permissible if, and only if, such an excessive rate of saving will mitigate the burden of those who are bearing the hardship of having to save. In order to accumulate social wealth, some people or groups in society have to make some sacrifice and make a saving, and if that burden can be lightened, then it can be permissible to have inequality of opportunity.

What do we do when we are all disadvantaged? - (Interjection)- How can you talk about disadvantaged unless there are some . . . - (Interjection)- You can't.

Now, given the first principle of justice as equality for all, and given the second principle of justice as the greatest benefit to the least advantaged, we now can combine this first and second principle into what we may call the overall definition of social justice. How are we to define justice in society we call social justice?

Social justice is the principle which asserts that all the basic values of human liberty and opportunity, the values of income and wealth, and the basis of human dignity and self-respect, all these values are to be distributed equally to all the members of society as a general rule. And any unequal distribution is to be permissible if, and only if, such unequal distribution of these values will give the greatest benefit to the least advantaged members of society. I'd like to explain that.

The general rule is that all these values, the basic values to which we are all entitled as a matter of right as human beings, must be distributed equally to all; and if there is to be any unequal distribution at all, it is only permissible when such unequal distribution will inure to the benefit of the least members of society. Because by lifting the lowest members of society, we lift the entire humanity because all of humanity is like a chain. It only is as strong as its weakest link.

If social justice is the comprehensive principle that all basic values of liberty and dignity, of power and opportunity, of income and wealth, are to be distributed equally to all the members of society as a general rule,

and if unequal distribution of this value is permissible, if, and only if, such unequal distribution will give the most to the least advantaged in society, in what way or ways can we say that the 1987 Provincial Budget of the government reflects the principle of social justice?

Let's talk a little bit about the Budget because I have to deal with the broad principle initially; otherwise we will not be able to understand the Budget. Without a basic understanding of the underlying principle, then you do not understand the details. We must have a standard by which to judge the budget of any government, and this is the standard of social justice.

The essential services for health care are high in any set of priorities of any good government. Any good government will place the value of health of its people high on the set of scales of its values. Benjamin Disraeli, the British Prime Minister once said: "The health of a people is really the foundation upon which all of the happiness of the people and all of the power of the people depends." If you have a nation of healthy individuals, you have a strong nation of healthy people. In recognition of this principle, the NDP Government of Manitoba has allocated \$1,327,000,000 to health care.

We often speak of a person who is healthy as a person who we say is a person who is as fit as a fiddle; we say that, he is as fit as a fiddle because he's healthy. So that used to be meaningful to us. Do you know how the shape of a fiddle is? So if you notice that your shape is opposite to the shape of a fiddle you better watch out. You better start exercising, and be cautious about what you eat, because unless you tone down your middle you cannot be as fit as a fiddle.

There are people who work so hard in life, I confess I'm one of those. To those people who work so hard, they sometimes forget their health, and so in working for wealth they lost their health. The irony of this is that if you succeeded in accumulating wealth, by the time you have succeeded, you have already lost your health. Then you scurringly hurry down and spend all your wealth to regain your health. So we better watch out, there is always a time to stop working, when your health is already in danger by working so hard. But work doesn't really destroy a person because good work stimulates the mind and the body. We live in order to work, and we work and then we continue to live, as long as we enjoy it. The important thing to remember is that we should not lose our health while we are trying to work, to accumulate some wealth.

We want money, we want success, we want achievement, we want fame, of course all of these are very important to us. But sometimes the cost of achieving all of this, the cost of achieving wealth and fame, to be leader of a party, and so on, fame and success; it may be obtained too dearly. Because if you acquire them at the cost of your health, you will often regret it and it will be too late.

What is the next value that we want for ourself and for our children in this society. The next value that we want is of course education. We say, sending our children to school is expensive, sending them to university is expensive. Of course education is expensive. But it is not as expensive as ignorance. When you find that you are ignorant in life, you will find it is really expensive, and it's too late. Education is knowing what you want. It's knowing where you go to get what

you want. It's knowing how to get what you want, and it's knowing what to do with what you want after you have gotten it. If you don't know what to do with it, you are not really educated. Therefore, education trains the person to think clearly and to act rightly. Education is an ornament in prosperity but it is also a refuge in days of adversity.

The NDP Government also enhances social assistance to the needy. However, we don't stop there. We expand training and employment opportunities, in order to make the recipient be able to stand on their feet and make a transition to more stable employment. The best employees are those who work for their employers as if they are working for themselves.

Let me now conclude, Madam Speaker, by saying that the precepts of social justice demands that we live honestly, that we harm nobody, and that we give to every person what is his due. Every person is entitled to a measure of self-respect and dignity. Every person is entitled to a measure of liberty and opportunity. Every person is entitled to a measure of income and wealth.

When we live our life according to the precepts of social justice, we give to everyone what is their due, and we do so by ensuring that no one suffers any undue harm, and we do so that the public good shall be promoted for the benefit of all. When we live in justice in our life, we walk with wisdom and we act with mercy in our relationship with others. Social justice will triumph when it is based on truth, when truth becomes its handmaiden, when freedom becomes its offspring, and when peace becomes its constant companion. The path of the person who is just, is like a shining light that shineth more and more unto the perfect day. And the justice of its cause will shine in splendour like the noonday sun.

Thank you.

MADAM SPEAKER: The Honourable Member for Riel.

MR. G. DUCHARME: Madam Speaker, it is a pleasure again to participate in a Budget Speech. As I wasn't fortunate enough to participate in the Throne Speech, I would at this time wish all the members well.

I would particularly like to congratulate the new Lieutenant-Governor, Dr. Johnson, on his appointment. His past experience and his contributions make him a worthwhile choice. Also at this time, I would congratulate the Honourable Pearl McGonigal on a job well done.

Madam Speaker, I'd also like to welcome all the new Pages. I'm sure it'll be an interesting experience. I'm sure the Speaker can vouch that most of the individuals in this particular room are very good on a one-to-one, but collectively, well, that's a different story. Enjoy your stay.

Since the last Session, I have approached many people in my constituency, not only in my constituency office but on a door-to-door basis. People ask, Gerry, how are you enjoying your new role? How are you enjoying your role comparable to the school board that you were on or City Council? And I tell them that when I was on City Council and the school board, I was part of selling, I was part of a day-to-day participation. As you can appreciate in Opposition it's not quite the same being on a day-to-day involvement. Also, it's not quite the same as selling. You do become a negative buyer.

However, Madam Speaker, the product being sold by Howard Pawley and Company has certainly made my role a little easier, Premier Pawley and Company, the Honourable Premier.

I would, however, at this time on the celebration of the election to Riel, thank the people in that particular constituency for their continued support.

How frustrating! Madam Speaker - how frustrating it is to see the deteriorating condition of Manitoba caused by this particular government, to sit here during the Session and see the many steps that could be taken to make Manitoba be on the move again, convinced more than ever, especially after March 16, that this government does not have the capabilities to provide as much necessary leadership.

The people of Manitoba gave this particular government a mandate, based on election issues, to proceed with their policy. Continually during the Throne Speech we hear from the other side, what are your alternatives, they say to us? Why do we have to explain to this government? People expect their policies, even though already some are being broken. They expect this from that government, that is their responsibility to govern, not ours.

Madam Speaker, I have been astonished by the lack of initiative in the Throne Speech and the Budget Speech. A member would assume, by the lack of vision in policies put forward in the Throne Speech, that we would have expected a decrease in taxes, etc. This lack of initiative should have shown some positive effect on saving the taxpayers some money. On studying this Budget, Madam Speaker, I was more convinced than ever that this government, like its NDP colleagues in Ottawa, think that if they do not make any decisions they will stay popular.

Madam Speaker, I see that it carried on where they left off last year, a no-plan party, with nothing new and carrying on their band-aid mandate.

A MEMBER: They got worse; never mind carrying on, they got worse.

MR. G. DUCHARME: Madam Speaker, the lack of comments from their members in regard to the Throne Speech certainly shows how weak it was. Or are they saving all their wonderful comments for this wonderful Budget Speech?

Madam Speaker, since my role of critic for Consumer and Corporate Affairs, I will dwell a little on the part of the government's action in regard to the Corporate Affairs side. I was disappointed that my Minister in charge has not considered some of the issues that were brought to him during Estimates and brought forward on the floor during question period. The lemon law, which deals with the mediating problems between the purchasers of new vehicles and the dealers, it has been in place in Ontario for probably a little over a year, and it has had plenty of time to monitor the position and consider similar legislation in Manitoba.

Madam Speaker, I must also mention that there were many questions asked in regard to liability insurance. The Minister had sufficient reason to act, however, has failed to do so. Madam Speaker, this government talks re the need for reform, tax reform - this government, with the highest personal tax in Canada. The only reform

they know is spend, spend; take, take. They continually spend recklessly and then blame the feds - that's all we hear, spend, spend, then blame the feds.

In the past three years, Madam Speaker, the increase of federal transfer payments to Canada for education and health to Manitoba have been: in '84-85, 6.9 percent; '85-86, 3.6 percent; '86-87, 6.8 percent. If you look over our particular Budgets, you wonder, Madam Speaker, what have they done with the rest of the money. This government continues to talk about working together with the Federal Government. Madam Speaker, what happened with Versatile? Does this government not want to talk about the jobs established under the Versatile agreement? The 915 jobs that it saved in 1987; the 1,233 jobs that it will have in 1991, and these, Madam Speaker, are full-time jobs, not the type of jobs, part-time jobs, created by this particular government under their programs.

Madam Speaker, why do they not admit to the people of Manitoba why they were not involved in this particular agreement of this very important key industry in Manitoba? Maybe it was because of a \$10 million up-front requirement that was requested; maybe it was because this particular government wanted to place union labour to sit on the management level. Madam Speaker, the Federal Government did, in this particular case, what they should do in more cases, exclude this particular government from any negotiations on any particular business transaction. Let's face it, they know nothing about business transactions. Their Budget has shown that they have not reinforced this position on their dealing with business. Madam Speaker, it is not Ottawa that is the enemy; it is this particular NDP Government that is the enemy of Manitoba.

Madam Speaker, we keep hearing from the Throne Speech, we hear from the Budget Speech, we keep hearing about a small business bond program. We have heard it before. I've yet in my travels around the province found any particular businessman who has participated in any bond program, or is this just another verbal announcement to use up more paper in their particular speeches?

Madam Speaker, they keep mentioning how important small business is necessary in this province. Then why are they driving them out of this province with their labour legislation, and they keep increasing the payroll tax?

Madam Speaker, also education, this government has increased, particularly this year, by 4.5 percent. Hardly enough to cover the ongoing costs; nothing to cover the upgrading of existing plants, and still a long way from that much promised 90 percent funding, and also no mention for the increase for private funding to school funding. This Minister of Education is not only floundering in his portfolio, he has also agitated the school system in his interference in the negotiation process. And now, after asking the teachers for a freeze, he has now, during the Budget, has added 2 percent to the loss of their income.

Madam Speaker, we sit here and we hear now - and it must be very embarrassing to the Member for Ellice - about the home starts that are coming forward in Winnipeg. Madam Speaker, now that the Manitoba housing industry - and I'll admit it is performing at its highest level since 1978, however, fostered by the low interest rate. Is this the same government that just a

few years ago fought against the so-called suburban sprawl called down the developers? Is it the same government that now wants to take credit for this housing boom providing this much needed employment?

Madam Speaker, I remember a little short while ago in 1983 I ran against an NDP candidate in the city and his main brochure was "Gerry Ducharme, his votes have approved the zoning changes. The incumbent supported planned suburbs in south St. Vital, he supported building homes." Madam Speaker, I guess this particular government on the other side of the House is probably pleased this member did not get his way, they would have nothing to brag about when it comes to employment. Now this particular government wants to interfere with the purchase of these new homes by adding the land transfer tax which will add approximately \$900 to the cost of the average home in the City of Winnipeg.

I was also astonished by some of the comments by some of the members on the opposite side during the Throne Speech, particularly the Member for Elmwood, his comments when he got up in regard to MPIC. I also do business with MPIC, maybe at a greater extent than the individual and with a good business relationship with that company, I must add, along with other insurance companies. Do not let the member fool you and leave you to believe they are the end-all.

Fortunately, they have to compete. Where they have to compete has shown up in their financial statements. We all know that they had their problems, like other insurance companies. We know that they've blown millions on reinsurance, and we had it confirmed today that these treaties are on an annual basis. If anyone does not understand the reinsurance, the reinsurance is like what they shouldn't be in. They do take a role in reinsuring and getting involved with such disasters as the Bhopal disaster and Texas hurricanes. These are the disasters where they've lost some of their monies.

Also, reinsurance is something that probably most insurance companies should not be involved in. It is a specialized field. There are certain companies that do only reinsurance and they did not have the expertise to carry out their responsibility.

Madam Speaker, this is probably why the MPIC, to their local people in Manitoba, have bumped their homeowner rates by almost 35 percent in one year. They also have reduced the senior discounts. They also have reduced the smoke-detector discount. They picked on the children, probably by putting a \$300 limitation on bicycles. They also raised their deductible by 100 percent to a \$200 deductible. I just do not want that particular member to give the impression they are probably any different than the rest.

Madam Speaker, to give you an example, they do not, and they cannot, insure every type of risk that's available in Manitoba. To give you an example, I know of a case in Manitoba where an individual was a trucker. He had cargo and you know what his cargo was? To haul Manitoba Lottery tickets. That's all he does. He hauls Manitoba Lottery tickets. And you know what? He's on the prohibited list of the Manitoba Public Insurance Corporation.

Madam Speaker, I'm sure that during the Estimates, we will have much time to talk about Autopac. What

kind of management would decrease their rates by 3 percent one year and then raise as much as 30 percent the next?

The Minister of Urban Affairs, in the Throne Speech, mentioned the core area development. This was a \$96-million project that was started by the former Federal Government, the previous Conservative Government, and the City of Winnipeg - more or less a good project. Maybe not as many permanent jobs established out of it that I would like to have seen, but all in all a worthwhile project inherited by this particular government.

The CNR East Yards - people have been talking about it for years. However, ignited by a city delegation in November of '84, meeting with the Minister, Mazankowski at the time, in regard to this project - a project that I know will not be just another park contrary to the Urban Affairs Minister's wishes, a project that I believe will be exciting, but, however, standing on its own merits.

Also mentioned in the Budget Speech, and also in the Throne Speech, was North of Portage. I would like, as my colleagues on this side, to congratulate the private sector, Cadillac Fairview and investors for the anchors that were necessary to carry out and make this a viable project. But, however, Madam Speaker, what's their reward on March 16? - an increase of from 0.2 to 0.5 corporate tax. That's the type of reward they get from this particular kind of government.

Madam Speaker, some other concerns in regard to the Budget, the 2 percent new net tax affects the double-wage earner. We've been looking at the figures coming out that there are a lot of double-wage earners out there. The husband and wife must work, must work to support the family, must work to buy the houses that are keeping the economy going. They have been put in a position that maybe some of them do not want; however, it is important that they work. We are hitting on these people, Madam Speaker. They are already the highest taxed in Canada.

There is another group of people out there that I am concerned about. That is the educated young people who will not look for a career in Manitoba. To give you an example, the other evening, I had a son come home, who is graduating this year from University, and he mentioned to me, "Dad, even with the family ties that I have here in Manitoba, what is this particular government doing to make me feel that I should stay here?" And, Madam Speaker, he's not the right wing on our family. He's the middle-of-the-road. Every family usually has one, and he's much like Harvey over there, I guess.

Madam Speaker, the educated young people will not look for a career in Manitoba. - (Interjection)- I hate to be interrupted, but there seems to be a mention about a niece. That's my sister-in-law. I didn't marry her.

Madam Speaker, no matter what the family ties are, they do not stay here for the weather, and it is getting more difficult to keep them here.

This No. 1 tax province has made it unattractive for executives. These are the people you hope to attract to bring industry into this province. But they will refuse to be located in Manitoba, and these business opportunities they would have brought are now lost.

A MEMBER: I hope Sooters stays in Manitoba.

MR. G. DUCHARME: Yes, like that. That's correct.

People stay because of roots, family, as previously mentioned, and this government is definitely making it more difficult to justify.

Payroll tax - can you imagine a tax on the incentive for employers to create jobs? We're now letting people go and also paying at the same time on their payroll tax, getting rid of full-time employees so that this particular government could get their programs going to hire these temporary employees. Not only that, but if anyone does not believe that come raise time that the 2.5 percent is not going to be a consideration, that the employer is going to have to pay and it will come directly out of the employees' pockets.

The 1 percent retail tax - in some cases a totally new tax. Can you imagine, now we are going to tax completely one bucket of chicken? I call this "the chicken-bone tax," because this is exactly what it is.

Consumer and Corporate Affairs, as their critic, they have also shown in their Budget that not only are they taking away from the corporations, but they've raised some fees. The securities fees, for instance, \$3,259,000 to \$4,365,000 - an increase of 33 percent. Real estate and security fees, they raised by 59 percent. Corporate business fees, 36 percent. Madam Speaker, a direct blow to mainly small business.

Also, there is another side effect to this particular Budget. The 8 percent increase in government spending has a very dangerous effect. This side has not been discussed. Remember, Madam Speaker, that the monies that you're taking away from the employees will have to be negotiated for. Madam Speaker, these particular unions and associations will negotiate an increase of wages to some effect. Madam Speaker, where will the credibility, how will this government justify asking the people to show restraint in light of the government's irresponsible spending?

Also the very new 2 percent tax on net income - someone has a legitimate loss, for instance, and we're not talking about the tax dodge losses that some people have taken advantage of. No, we won't. These are legitimate losses where someone can now take the loss year from one year to the other. Will he now have to pay the 2 percent before he deducts his loss? I believe so. Totally unfair.

A real disturbance - and a carry-on - a real disturbance is the 8 percent again over last year. Where is the management? When will you realize you cannot carry on each year strapping taxpayers with interest on \$500 million deficits annually caused by the deficit spending?

This particular government has certainly proven to people in Manitoba that you are truly socialists by submitting a runaway-train type of Budget. The pace of your spending is accelerating to such a pace that you are crashing headlong into oblivion. The taxpayer can only be pushed so far before he rebels against his oppressor. Madam Speaker, we'll have many opportunities during the Estimates to pull out the many expenditures during the Estimates process.

In closing, I look forward as a member of the Gary Filmon provincial team to another . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MR. G. DUCHARME: I look forward to be a member of the provincial Conservative team to ensure another

very successful Session, that through our strong continued opposition the people of Manitoba will realize how inept this government is, and that they will probably, through this Session and the next, realize and they'll hope this will be the last socialist government we'll have for many, many years.

MR. DEPUTY SPEAKER: The Honourable Minister of Urban Affairs.

HON. G. DOER: I'm indeed proud, Mr. Deputy Speaker, to rise in support of a Budget presented by the Minister of Finance that has been described by many as a fair and balanced Budget to meet the Manitoba economic challenges. I congratulate my colleague, the Minister of Finance, on meeting the challenge head on.

Mr. Deputy Speaker, I'm pleased that the Minister of Finance has brought down his Budget last Monday evening at a time when Manitoba has the lowest unemployment rate in this country. The lowest unemployment rate in this country, Mr. Deputy Speaker. That is in the context and in an environment when the unemployment rate is going up in every western province, and when the money in this federal system has been diverted up to 90 percent to the Province of Ontario to the City of Toronto. But in spite of those economic factors, Mr. Deputy Speaker, we have the lowest unemployment rate in this country, and I think the Minister of Finance and the other Ministers at the front benches should be proud of.

Mr. Deputy Speaker, the Member for Niakwa last year stated that we're in Opposition and we can have it both ways. I remember him stating that - we are in Opposition and we can have it both ways. Certainly, Mr. Deputy Speaker, the documents that they produced last year, those deficit documents, those 200-page documents, it was so well managed they were presented sometime Sunday night during the election campaign. They can't manage a press conference, let alone try to manage a province.

Mr. Deputy Speaker, those documents, had major spending increases. -(Interjection)- Had you written the documents? Mr. Deputy Speaker, the Member for Morris, of course, neglects to say how much did he have to do to write those documents? Why doesn't he tell the House whether he wrote those documents or supported those documents? Me thinketh not. Mr. Deputy Speaker, those documents had major spending increases throughout those documents, and they also talked about major tax decreases and major deficit reductions all at the same time.

Well, Mr. Deputy Speaker, we also heard that it's an echo of Mr. Brian Mulroney during the 1984 federal election campaign. The same echo probably written by the same people. That's why we had the same echo. Yes, the same big blue machine from Ontario, Mr. Deputy Speaker, was the group that put together those 100-page documents that were presented midnight Sunday night to the public of Manitoba. Those documents were produced in the same fashion as the documents for Mr. Mulroney. The little echoes from the Federal Government, the little echoes across the way, Mr. Deputy Speaker, he won, yes, but one term only like all federal Tory Governments for the next 25 years.

Mr. Mulroney, when he was asked every day how would he pay for his promises, Mr. Deputy Speaker,

how would he pay for the various promises had a speech, I believe it was at the Canada Club or Imperial Club or some other group at the Royal York Hotel in downtown Toronto, and he told us that we would get the revenue for all these millions of promises by growth, growth, growth. What did we get, Mr. Deputy Speaker, but a 13 percent increase in the personal income tax; we got tax, tax, tax and . . .

SOME HONOURABLE MEMBERS: Oh, oh!

HON. G. DOER: . . . Mr. Deputy Speaker, we also got cuts, cuts, cuts. That's what we've had for the last two years. Except for the Prime Minister's Office, Mr. Deputy Speaker, that has been going up progressively, many of the services to Canadians have been cut dramatically by the Federal Government. At the same time personal income tax has been going up some 13 percent, and corporate tax and resource tax has been going down in this country.

It must be tremendously painful, Mr. Deputy Speaker, to the members opposite to know when they left office they had the highest deficit in Western Canada in 1981 and now, with the production of this Budget by the Minister of Finance, Manitoba has the lowest deficit in the West in 1987. It must be very, very painful to the members opposite.

It also must be very painful, Mr. Deputy Speaker, when they know that the Province of Saskatchewan has a \$1.2 billion deficit in a province that has less population than Manitoba. Mr. Deputy Speaker, Alberta - we haven't heard the results of Alberta, but the rumours are out that there will be a \$3 to \$4 billion deficit for the last fiscal year in the Province of Alberta.

I am not very surprised, Mr. Deputy Speaker. I remember the days being on arbitration boards, etc., in that province where it shocked me to see the amount of spending on a year-over-year basis going on in that province - spending that was predicated on an oil boom that would take place in perpetuity. Of course, that oil boom has not taken place, Mr. Deputy Speaker, and even though the situation in Alberta, the former Premier of Alberta would talk as a Friedmanist but spend like a Keynesian - and it was amazing, Mr. Deputy Speaker, that the Province of Alberta, with its alleged Progressive Conservative Government, had over 33 percent more public employees in the provincial public service than the Province of Manitoba - I thought it was rather ironic that Manitoba was lean and efficient in that area and Alberta had obviously thrown money at the problems instead of managing their way out.

(Madam Speaker in the Chair.)

Madam Speaker, I also believe there's a very serious situation in this country. As I've mentioned previously, the regional wealth in this country, by anyone's standards, is rapidly decreasing in all areas of the country except central Canada. I believe that all members of this House share in this tremendous problem. I think that the fact that our wealth now is going into the Province of Ontario at some 90 percent presents some of the biggest challenges since the Rowell-Sirois Report, and some of the biggest challenges to all of us from all political parties across this country in regions outside of Ontario or the Montreal-Ottawa-Toronto triangle.

Last year, we all had a presentation from the Department of Finance, from some of the officials in the Department of Finance, looking at the whole issue of whether in fact we're getting decreases in the funding for health care and education or whether in fact they were staying the same or whether they were going up. I thought, Madam Speaker, that was an excellent presentation because it clearly showed that to maintain a national Medicare system in this country and universal health care, and to get us even close to maintaining the health care system at 44 percent, let alone the desired 50 percent that we needed just to stay even, a health care system that would be funded at gross national product plus 2 percent.

Madam Speaker, we know that's not the case, and we always end up in this House wrangling over a net increase of dollars whether that in fact is an increase or a decrease. If it's anything less from the Federal Government than gross national product plus 2 percent, we are slowly eroding our health care system which is essential, in my opinion, to all Canadians and certainly to all Manitobans.

We are heading in a direction, and it was the officials in the department, not political speeches, officials in the department that pointed out that if we head in the same direction and if we meet our obligations to health care as a Provincial Government, that we would be at a situation where we would be eroding the federal share of health care funding in this province by going down from the 44 percent to 42 percent to 41 percent - I don't know what it is now, it's about that range - to slowly under 40 percent, and projections were, in the next five to six years, to come to a figure of some 36 percent.

Madam Speaker, that is not a national health care system. That is the greatest challenge, I believe, to maintain that system and maintain that system to gross national product plus 2 percent. That's why we are faced, as a Provincial Government, with a tremendous dilemma. Do we maintain the essential health care system in this province, which we all know represents close to over one-third of our provincial budget? Do we maintain that system and spend the some over-\$100 million in our health care system or do we go the way of other provinces that we heard zero percent funding in Saskatchewan; the Alberta Government has decided not to open two major hospitals in two of their urban centres; and that's the dilemma and challenge we faced as a government.

I'm pleased the Minister of Finance and this caucus decided to put the extra money, in terms of that priority, to health care; although I believe that ideally we should be maintaining the health care system at 50-50 percent. I believe, Madam Speaker, the speech that the Opposition, the former Federal Opposition Leader made, who is now the Prime Minister - I think it was at the Peter Pan Hotel in New Brunswick in the Tinkerbell room - he promised that if he was elected, they would return to the sacred trust of 50-50 funding.

A MEMBER: We'll see if you know as much about assessment tomorrow as you do about hotel rooms, the Prime Minister's room.

HON. G. DOER: You don't like the Tinkerbell Hotel in New Brunswick, do you? That's where he made the

speech; that's where it was reported - New Brunswick. And that, I think, Madam Speaker, he's right; it is a sacred trust. It is absolutely a sacred trust to return this health care system to 50-50 funding. And yet we see a situation that the health care funding will be at 36 percent in the next five years, which means if we're going to maintain the health care system, we ought not only have to go GNP plus 2, and I don't know the exact figures, but it must be GNP plus 4. That is a tremendous burden on the taxpayers and the ratepayers of the Provincial Government not only in this province but in other provinces, and I think that is an unfair situation, a terribly unfair situation.

We are headed rapidly to a two-tier health care system, and we are headed rapidly to a health care system that will be different in each province in this country because of the fact that the Federal Government's funding will be down to 36 percent. I think, Madam Speaker, that people of all political parties in this House should demand of the Federal Government that we return to the 50-50 funding on our universal health care systems so that we won't have to have GNP plus 4 percent, or whatever it is, to maintain the vital health care services that are so important to all Manitobans and, indeed, all Canadians.

Madam Speaker, I also believe that as we have an aging population and as we move into greater technology, that we also have to have health reform. I also believe that the health reform systems in this country should be cost shared between the Federal and Provincial Governments because it is in our long-run best interest to have preventative health care in the national Medicare system and cost shared at the 50-50 level between the two governments. I believe that the preventative health care is one of the ways in which we can take some of the extreme pressure off very, very expensive institutional health care in this province and, indeed, in this country, because it's in our long-term best interests.

MR. D. ORCHARD: Talk is cheap, Gary.

HON. G. DOER: Well, Madam Speaker, the Member for Pembina is saying "talk is cheap." Over \$100 million in the health care budget is not cheap talk. That's a lot of money, Madam Speaker. And I would like to know where the Member for Pembina is in terms of federal 50-50 funding with the provinces in the health care system. I doubt whether he supports it because he supports a two-tier health care system in this province. If we had 50-50 funding, we wouldn't have the deplorable situation in this country in terms of the sliding down to 36 percent.

I'm also proud that we are maintaining the education services. There are a great number of challenges in our educational area. There is no question that education is insatiable because the needs of our children in our schools and in our post-secondary educational systems require funding to maintain the status quo and enhance and improve our education quality in this province.

Madam Speaker, I think there's another key issue I'd like to discuss before I go on to specific measures in terms of our specific Budget. We have talked about tax reform and the inequities within the tax system in

this country. The Auditor-General has produced numbers to show that some \$45 billion is excluded from General Revenue of the Federal Government and, as by definition, if it's excluded from the Federal Government, it's excluded from the Provincial Government in a great number of cases because of the exemptions, loopholes, the write-offs and the deferrals and on and on and on - \$45 billion, Madam Speaker.

If one is to look at the \$45 billion, and if that equates to close to \$20 billion for all the provinces in terms of lost revenue, and these are just rough numbers, that would be close to \$1 billion - 4 percent of the population or 5 percent of the population. Madam Speaker, that would be close to \$1 billion to the revenue base of the Province of Manitoba, and \$1 billion would give us not a deficit of \$415 million but allow us to have balanced books, and indeed, either have a surplus with that \$1 billion or use that for other needed and required priorities for our citizens in this province.

Now, Madam Speaker, it seems to me this is an eminently more logical way to go to end all the loopholes on page 1, to end all the exemptions, to end all the deferrals, to get at those specific loopholes in our federal-provincial tax system and have that \$45 billion go - some of it to the Federal Government, some of it to provincial governments and have a situation where that amount of money is returned to the provinces rather than have to wrestle with the cuts and services or increased and enhanced taxes to the citizens.

It seems to be a much more logical way to go, and indeed, Madam Speaker, I hope that the discussion of the federal Minister of Finance, and certainly at urging from our federal party, that we will have true tax reform in this country, that we will be able to get legitimately at those loopholes and exemptions, as the Auditor-General has pointed out - not a political party but the Auditor-General - and that we will be able to improve the amount of groups paying taxes in a much fairer way, rather than having to take the same group that's paying taxes and either look at cutting their services, as some provinces have done, or increasing their taxes.

So I hope, Madam Speaker, that that is what we're going to see when we have tax reform, so that the Minister of Finance, when he stands before this House, has greater options and greater opportunity in terms of the revenue issues and the revenue challenges and the priorities facing this province and other provinces.

Madam Speaker, it would be great if that \$45 billion was available. We could fund the health care system to 50-50, without increasing the federal deficit which would decrease the load on us. We could fund things like the federal, provincial and municipal infrastructure program that was recommended. In fact the Member for Charleswood was on the task force talking about the need for infrastructure improvements. We could fund that \$12 billion program and we could still have a situation where it's coming from people that are not now paying their taxation. I hope, as I say, Madam Speaker, that all members of this House -(Interjection)- 12 billion. It was 12 billion the last time Michael Wilson was talking about it, the Member for Charleswood should be aware. He got it down to 12 billion from the 80 billion.

A MEMBER: More creative accounting over there.

HON. G. DOER: Well, I think the Auditor-General pointed out the creative accounting problem for this country, and indeed for this province, and I believe that that's the most important part of our tax reform system.

Madam Speaker, I don't pretend to know all the things or very much about agriculture, but as a person who has been a Manitoban all their life, as a person who spent about nine summers on a farm . . .

A MEMBER: Where?

HON. G. DOER: Outside of Neepawa, as a matter of fact. I'm pleased to see the effort of our Minister of Finance, in conjunction with the Minister of Agriculture, to improve the agricultural situation by some \$14 million in this year's Budget.

A MEMBER: It's a lot of money, Gary, it's a lot of money.

HON. G. DOER: It is the highest increase of any item in any department of our government, and I think it should be. The agricultural crisis is serious and we all recognize that within this Chamber. The situation with the grain farmers, I think is a situation, in terms of the depressed prices and the challenge to their livelihood, that all of us feel threatened by.

The situation I think, Madam Speaker, is insane, where the European Economic Community drops its prices through subsidies, through federal subsidies in Europe and the Americans follow suit with federal subsidies from the Federal Government to the American farmer, particularly before the last Congressional Senate elections.

We have a situation now where we either have to start putting our chips on the table, Madam Speaker, or our grain farmers are going to be left in a severe situation of being non-competitive because of the subsidies from these other economic systems. I think it's a situation that confronts, Madam Speaker, not only ourselves, but other exporting countries, such as Australia, where they're forced to either put their massive amounts of subsidies on the table or have the grain farmers be in a perilous situation and the grain industry be in a perilous situation in terms of their livelihood.

Madam Speaker, it seems to me that this insanity of competitive subsidies has got to stop, we have to have a national or international agreement. I know it's naive to say so, but we have to have an international agreement to stop this crazy subsidy war going on between the Americans and the European Economic Community that is absolutely killing our farmers in Canada and killing the farmers of Australia.

I hope, Madam Speaker, that that will be one of the items - that and the acid rain issue - will be one of the items that our Prime Minister puts on the table when the President of the United States visits again in his yearly visitation with our Prime Minister. I believe that's a very important issue to be on the table in terms of our meetings with the Americans. We always hear the free trade debate is one of the issues and acid rain is the other issue. I believe that the plight of the farmer in Western Canada, the grain farmer in Western Canada and that situation should be the top priority at those meetings with the American President.

Madam Speaker, the \$14.3 million increase in agriculture is a 20 percent increase in that budgetary spending; \$84.7 million will be spent in agriculture, and, as I've said, it's the largest percentage increase for any department this year. I believe that this extension of our commitment to agriculture through these new initiatives in the Budget, will be positive for the farmers in terms of reducing their costs and will help them continue to farm in this province.

Madam Speaker, I think all of us have heard from farmers and people in rural Manitoba that the burden of school taxation on farmers is a legitimate problem, and indeed, we've heard our Minister of Agriculture speak on this issue. I'm pleased that the Minister of Finance, in this Budget, did bring forward a \$12 million program to deal with the property tax credit situation in terms of the burden of school taxes on farmers. I think that is a legitimate and very, very positive proposal by the Minister of Finance to help this very vital situation.

Madam Speaker, health care again is the next largest percentage increase or one of the next largest percentage increases in this Budget; again, a situation that is consistent with the philosophy of maintaining vital health care services in this province. We believe that health care funding is essential to maintain our system; 9 percent, Madam Speaker, has been placed in the health care budget. Yes, that is double the inflation rate; yes it is double the inflation rate in this province, and it has to be, Madam Speaker, because as I've pointed out, if you have a net decrease in the inflation rate from the transfer payments, you need more than the inflation rate to maintain the system. That's obvious; it's unfortunate; but it's reality. I'm pleased to say that when confronted with those two choices, we decided to double the inflation rate for health care spending, to maintain the vital health care services in this province, and not decrease health care.

Madam Speaker, I was at a meeting - a women's organization last year, where they said to us - and it was in their brief and it was in writing - that we had the finest health care system in North America, and indeed, in many of their opinions, it was the finest health care system in the world. Madam Speaker, I believe we do, in Manitoba, have the finest health care system in the world. That's why I believe strongly that the 9 percent increase in spending in the health care field will help maintain a system that over 900,000 Manitobans use in any given year. I think it's consistent with our philosophy of maintaining quality health care for all and, in particular, a growing number of Manitoba seniors who will require more of our health care system.

Madam Speaker, we know that within this context of more prevention and greater preventative health care, we're also going to be faced with the aging population and also the tremendous demands on the technology of our health care system.

I understand, Madam Speaker, that the CAT scans that are needed and are indeed coming to this province, as promised by our Minister of Health, are indeed being outstripped by other technology that places even greater demands upon our health care system. At some point, Madam Speaker, we are going to have to have a debate of what kind of trade-offs are going to be necessary to meet those massive challenges in the technological changes and at the same time maintain essential services for all Manitobans in terms of the

health care system. I think that's a tremendous challenge for all of us in this House, because people have perceived the health care system, not only as a vital service in Manitoba but, Madam Speaker, when Canadians are asked why it is better to be a Canadian than an American, and indeed I believe it is, one of the greatest reasons they say is because we have a fair universal health care system in this country as opposed to the two-tier private sector quasi-public sector system in United States. But we have tremendous challenges in this area.

That is why, Madam Speaker, I am pleased that the proposals for our seniors will also include a budget increase of some 40 percent in the Home Care Assistance Program in this province as announced by our Minister of Finance. I believe that's very, very positive and very, very essential to maintain and decrease the cost of our acute cost care hospitals and help have people with their families in the community with the valuable resources, with professional resources at home.

Madam Speaker, there is some \$41.5 million increase or 5.9 percent increase in our education system in this Budget, for students in schools, community colleges and universities. Support to public schools will grow some 6.4 percent, providing continuing evidence of the high priority that this Budget places, and this government places upon a sound elementary and secondary school system. This support for education has outstepped the inflation rate, and I think that's positive in terms of this budget and the Budget presented on Monday night.

I'm also pleased, Madam Speaker, that the Budget included a \$20 million Manitoba Fund for university development. This, I believe, was a very, very positive proposal initiated through the Minister of Education to the Minister of Finance and contained within the Budget. I think it's a very, very positive program.

I also am happy to see that the money will be used in priority areas in conjunction with fund raising activities that will go on by the universities themselves, in terms of reaching out to Manitobans in the private sector and in the communities, in terms of the search of excellence for some of the capital projects at those universities. I believe, Madam Speaker, that that's a very very positive way to help lever additional needed capital money for our universities. I think that this is a much more positive way. I remember reading some of the old Task Force reports. Maybe you don't remember some of those reports, the old 1977-78 Task Force reports, Madam Speaker. I remember in some of those reports, some of them never even saw the light of day. The members opposite like to talk about full disclosure, but some of those subcommittee reports had recommendations to close down the Brandon University, close down the Brandon University because the per pupil cost was greater than the two universities in the City of Winnipeg.

When those reports were leaked by other people, Madam Speaker, we certainly saw a complete reversal from the Task Force report, the Task Force recommendations were contained, because I think closing down Brandon University, although it may have been consistent with the philosophy -(Interjection)- well, it's very important history, you should not forget it, you weren't around. But that Task Force report, which I

had, those subcommittee reports had recommendations to close down the Brandon University, and when it was released in the Winnipeg Tribune, everybody ran for the hills. I think, certainly the Member for Transcona remembers some of those recommendations in that report.

That was the last opportunity we've seen for the efficiency from members opposite. That was their solution to the deficit, close down universities and give the hospitals 1.9 percent, when inflation was running at 8 and 9 percent. So we know what they would do if they were in government, we know what they did last time, and we'd know what they would do in terms of -(Interjection)- Well, Madam Speaker, 1.9 percent is the facts, 1.9 percent is the bottom line, it is the facts. I'm proud we've got 9 percent in this Budget, with a 4.5 percent inflation rate, rather than a 1.9 percent with an 8 percent inflation rate. Compare the difference.

Madam Speaker, I'm pleased -(Interjection)- there's only one leadership race going on, Madam Speaker, and it's right over there, right over there. The Child Care Program in Manitoba is going to be increased by \$5 million, \$5 million for the Child Care Program.

Last week, on stories on The Journal, all the experts on child care were able to come forward and confirm what was in the federal-provincial reports, that Manitoba has the best child care system in Canada. Madam Speaker, our child care support is a 35 percent increase over 1981, and we will continue to fulfill the promises of not only increasing the number of spaces in our child care facilities, but also having the highest possible standards in this country, the highest possible standards for day care, and I'm proud of that, Madam Speaker.

Madam Speaker, I'm also proud of the initiatives in the Budget in terms of Manitobans between 55 and 64. The extension of \$175 in special school tax assistance program for those of lower income will aid almost 20,000 seniors, who are now eligible for these benefits. Madam Speaker, I think that's very very positive as well in terms of the priorities of this government.

When we talk about priorities, Madam Speaker, it has been mentioned that we are only continuing to increase spending and not repriorizing some of our other activities. Madam Speaker, if one is to take a careful look at the Budget, there are a number of departments that have gone down, and there's many departments that are down below the inflation rate. In other words, departments of lower priority did not get the same attention as other departments of higher priorities, such as Health, Education and Agriculture. I think that's very appropriate under the circumstances.

Madam Speaker, six departments of government, Co-operative Development, Culture, Heritage and Recreation, Crown Investments, Energy and Mines, Environment, Workplace, Safety and Health and Northern Affairs, will experience an actual year-over-year spending reduction.

In addition, Madam Speaker, departments such as Consumer and Corporate Affairs, Housing, Natural Resources, Urban Affairs and Highways, were held to modest increases. Madam Speaker, we would like to have more money for all of those departments because certainly in Housing and Highways and Co-operative Development and all those projects, all of us had to agonize, to try to get more money to meet what we know to be the priorities of many of those departments.

But, Madam Speaker, faced with the decreasing percentage of money going into areas like health care and the escalating costs, we had to put our money where our priority areas were. That is only appropriate, Madam Speaker.

Madam Speaker, I know my time is close to approaching. I thought it very interesting that the flat tax or the tax proposal has been criticized by members opposite. The net tax, Tory Leader, Gary Filmon or the Member for Tuxedo, Madam Speaker, I'm sorry, in response to the Decker Report said, "A net tax increase is laudable goal; it worked towards getting those who benefit the most paying their fare share."

A MEMBER: Who said that?

HON. G. DOER: The Member for Tuxedo, December 14, 1986.

Madam Speaker, this Budget presents the lowest deficit in all of the west. It has the highest increases in services in our priority areas of health care, education, social services, and agriculture. Madam Speaker, the proof is always in the pudding. I believe, Madam Speaker, we will be able to maintain the lowest unemployment rate, or almost one of the lowest unemployment rates; notwithstanding the fact that 90 percent of the wealth of this country is going into Ontario, we will be able to still maintain our priority of job creation.

I believe, Madam Speaker, that the balance of our whole economy, as witnessed by the evaluations of many

of the economic agencies, and the balance of this Budget, in conclusion, are low unemployment, are maintaining services, are maintaining the priorities and increased and enhanced spending in our priority areas, is indeed, as articulated by the Minister of Finance, a fair and balanced way to approach the challenges of all Manitobans.

Thank you very much, Madam Speaker.

MADAM SPEAKER: The Honourable Member for River Heights.

MRS. S. CARSTAIRS: Thank you, Madam Speaker.

I move, seconded by the Honourable Minister of Health, that debate be adjourned.

MOTION presented and carried.

MADAM SPEAKER: The Honourable Acting House Leader.

HON. J. STORIE: Madam Speaker, given that it's moving to six o'clock, if there's agreement on both sides, we could call it six o'clock.

MADAM SPEAKER: Is it the will of the House to call it six o'clock? The hour being 6:00 p.m., the House is now adjourned and stands adjourned until 1:30 p.m. tomorrow. (Thursday)