

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 24 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 . . . Notices of Motion . . . Introduction of Bills . . .

SPEAKER'S RULING

MADAM SPEAKER: Before moving to Oral Questions, I have two rulings to present to the House that I have taken under advisement.

On Thursday, March 19, 1987, the Honourable Government House Leader rose on a point of order respecting the use of the word "misleading" by the Leader of the Official Opposition. The House Leader pointed out that the word is included in the list of unparliamentary words in Beauchesne and requested that it be withdrawn.

In taking the matter under advisement, I informed the House that the same word is also contained in the list of parliamentary words and reminded members that certainly one cannot accuse a Minister, or another member, of "deliberately" or "intentionally misleading" - those are definitely considered unparliamentary.

I have read the complete text of the Opposition Leader's remarks in which he used the word "misleading." I did not find anywhere in his comments the words "deliberate" or "intentional" or, indeed, any other words which convey the same meaning.

I have examined the context in which "mislead" was found unparliamentary as referenced on page 109 of Beauchesne. In most of the cases, "mislead" was qualified by other words such as "endeavouring to," "sought to," or "wilfully," all of which imply intent or deliberateness. In another case, it was linked with a charge against a member of having provided an answer "which is not the complete truth."

I have also examined those instances in which "misleading" and "misled" were found to be parliamentary as referenced on page 112 of Beauchesne. I find that in each of these cases, the words were used as part of an unmodified simple statement, which in no way included any suggestion of intent.

I have researched this matter with great care because the use of "mislead" or "misleading" is questioned from time to time in this House, but has not been the subject of a definitive ruling. Members would prefer, I am sure, to have the existing uncertainty removed.

Since no reference to these words appear in the collected Rulings of Manitoba's Speakers, I have referred to the House of Commons practice.

I note that Speaker Lamoureux, in his ruling of March 7, 1974, stated to the House that "it is not unparliamentary to suggest that another member has

made misrepresentations or has misled the House. What is unparliamentary, and has been ruled on very often, is to suggest that it was intentional, wilful - that kind of concept. When a Minister or a member tells another member he has misled the House" - that is, accuses another member of misleading the House - "I am sure there is no suggestion that the statement should be withdrawn."

In conclusion, I find that the word "misleading," as used by the Leader of the Opposition on March 19, is not unparliamentary in the manner and in the context in which it was employed.

SPEAKER'S RULING

MADAM SPEAKER: On Thursday, March 19, 1987, the Honourable Member for St. Norbert, the Opposition House Leader, rose on a matter of privilege respecting the use by the Minister of Community Services of the phrases, "smacking of racist," and "it's almost a racist assumption" in reference to him.

As members know, when a matter of privilege is raised, there are three conditions which must be met. These are:

- (a) the matter must be raised at the earliest opportunity;
- (b) the member raising the matter must conclude his or her remarks with a motion proposing a remedy or solution; and
- (c) sufficient evidence must be presented to suggest that a breach of privilege has occurred to warrant setting aside the regularly scheduled business of the House.

In this case, I am satisfied that conditions (a) and (b) have been met. I am not, however, satisfied that a prima facie case has been established.

The phrases complained of were not used inside the House, but rather were spoken by the Minister outside the Chamber. Beauchesne's Citation 19(3), as referenced in my ruling of July 11, 1986, provides that: "Statements made outside the House by a member may not be used as the basis for a question of privilege."

In reviewing a number of relevant House of Commons precedents, I note that Speaker Bosley on April 15, 1985, and January 22, 1986, ruled that complaints based on the use of the word "racist" in reference to a particular member were matters of order and not privilege.

Furthermore, Beauchesne's Citation 323(1) states in part: "When the question" - unparliamentary language - "is raised by a member, it must be as a point of order and not as a question of privilege."

For the above reasons, I could not have allowed the matter to be proceeded with as privilege.

In any event the Minister, immediately prior to my taking the matter under advisement, withdrew her remarks unconditionally.

In similar circumstances, Speaker Hanuschak ruled on August 10, 1970, that regardless of the validity under our Rules of the privilege motion then before the House,

the Minister's withdrawal altered the status of the matter.

I, therefore, rule that the member does not have a matter of privilege.

The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, I would like to have leave to revert back to Ministerial Statements and Tabling of Reports, if I could.

MADAM SPEAKER: The Honourable Minister has leave? (Agreed)

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, for the information of members who will be debating the Agriculture Estimates, I'd like to table in this House Supplementary Information for the Legislative Review of the current year's Estimates.

ORAL QUESTIONS

MPIC - loss awareness of Premier

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Thank you, Madam Speaker. My question is for the Premier.

It follows upon questions that I placed to him on Friday, and again yesterday in the House, with respect to whether or not he had knowledge of the massive losses due to reinsurance claims in MPIC in 1984 or 1985; dealing with massive losses that may have been the \$12 million, or \$14 million that the Minister earlier acknowledged, or indeed the level of \$24.3 million that was evident as a result of the tabling of a report in committee this morning. Did the Premier have knowledge of the significance of the massive losses that were recorded at that time and that were known to the Minister responsible for MPIC at that time?

MADAM SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, the knowledge which I had in 1984-85 was basically that which is contained in the Annual Report of 1984 where it indicated to all members of this House, as well as myself, that there was a problem involving the reinsurance business; and also an indication that this Minister, the present Minister responsible for the Manitoba Public Insurance Corporation, had taken rectifying steps in order to remedy a situation pertaining to the reinsurance portfolio that had existed since 1976. So in 1984 that was the extent of my knowledge. In the fall of last year I was made aware of the information pertaining to the potential losses to the year 2000 involving the reinsurance fund of the Manitoba Public Insurance Corporation.

To the question of discussions with the Minister, I have no recollection of any discussions beyond that which I have indicated to you.

MR. G. FILMON: Madam Speaker, is the Premier saying that he had no knowledge that the losses were in fact much greater than those that were being reported in the annual report of 1984 that he's referred to; that the Minister responsible kept the knowledge that these losses were \$24.3 million, potential losses were \$24.3 million, to himself and did not share that information with the Premier back in October, or in the late fall of 1984?

HON. H. PAWLEY: I reject the impression that's been left that the Minister attempted to hide or kept back any knowledge. I reject that totally and completely, Madam Speaker, and I regret that we've had, in the last three days, accusations involving doctoring of minutes, shredding of documents, cover-up on the part of honourable members, rather than deal with this issue in a forthright manner.

Madam Speaker, insofar as the non-preamble to his question, my answer remains the same.

MR. G. FILMON: Well, Madam Speaker, it's unfortunate that the Premier did not hear the words himself this morning at committee from his Minister who acknowledged that he had a full and complete understanding of claims incurred of \$24.3 million . . .

MADAM SPEAKER: Does the honourable member have a question?

MR. G. FILMON: . . . in accordance with the report that he tabled.

MPIC - report given to Board

MR. G. FILMON: My further question to the Premier is: In view of the fact that the Premier has stated that he wants to have a full and complete review and inquiry of the MPIC reinsurance losses, that he wants the air to be cleared, that he wants there to be, both in the mind of the public and the mind of the Opposition, complete information and understanding of this issue, will he ensure that members of the House are given the report that was presented to the MPIC Board in the fall of 1986 that led to the presentation of the massive reinsurance losses, some \$36 million, in accordance with general accounting procedures in this year's financial statement in this newly tabled annual report of MPIC?

Will he ensure that members of the Opposition are given the complete report that was presented to the board that resulted in that revelation of a \$36 million loss?

MADAM SPEAKER: The Honourable Minister responsible for MPIC.

HON. J. BUCKLASCHUK: Madam Speaker, perhaps I could respond to that question.

This government has been as open as we possibly can in providing the information that is required to fully understand this situation. A committee meeting was requested last Friday; that meeting was held today. A news conference was held yesterday to try to explain to the public of Manitoba what reinsurance is about.

A request was made for minutes of the board meetings from 1982-on last Friday; that information was provided yesterday. So open that full access to the Leader of the Opposition or his representative was available.

We have in every way possible accommodated the Opposition. Yesterday, a request was made for the document on which the decision in 1984 was made; that document was tabled this morning. This morning, a request was made for the document, 1986, which was the culmination of a two-year study of MPIC's involvement in reinsurance. I gave my word I would take that matter under review. If there are no problems with corporate confidentiality, that paper will be made available as soon as possible; and if there are matters of corporate confidentiality, the same proviso will be provided as was provided with the rest of the board minutes since 1982.

So we have been very open. I don't know what else the Opposition would like.

MPIC - submissions to Board

MR. G. FILMON: My further question to the Premier, Madam Speaker, is: Will he ensure that we are given copies of the list of background submissions that I presented at committee this morning?

These are background submissions to the Board of Directors of MPIC that are referenced in the minutes that we have access to. In reviewing the minutes, we have found that they constantly refer to submissions to the board; we have asked for the submissions to the board. Will the Premier ensure that in order for us to have a complete understanding and appreciation for how decisions were made, what information was placed to the board, will we get copies of those submissions to the board?

HON. J. BUCKLASCHUK: Madam Speaker, that list was received some two or three hours ago. I certainly have not had a chance to review it, but I can assure the members opposite, and all members of this House, that every consideration will be given to providing the information requested.

MPIC - files to Archives

MADAM SPEAKER: The Honourable Member for Pembina.

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

In view of the fact that we are now before committee dealing with the MPIC reinsurance scandal and cover-up by this Minister and the government, could the Minister indicate to me why he would send to the Archives files and documentation which contain answers relative to questions posed at today's hearing and future hearings? Why would he send those current files to the Archives, Madam Speaker?

MADAM SPEAKER: The Honourable Minister of Culture, Heritage and Recreation.

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

I am pleased to have the opportunity to clarify some of the issues around the shredding of files, as mentioned by the member opposite, particularly in view of some of the innuendo and slurs and . . .

A MEMBER: Libelous slurs.

HON. J. WASYLYCIA-LEIS: . . . libelous slurs, yes, of members opposite involving the Minister responsible for MPIC. Madam Speaker, all of us were shocked to learn that any files had been destroyed. Madam Speaker, I would hope that this matter is treated seriously by all members of the House.

MADAM SPEAKER: Order please.

The Honourable Member for Pembina on a point of order?

MR. D. ORCHARD: Madam Speaker, we do treat this issue seriously, that's why I asked the Minister why his files were sent, files that are current to discussions now before committee, which the Minister needed for reference . . .

MADAM SPEAKER: Does the honourable member have a point of order?

MR. D. ORCHARD: Yes, Madam Speaker, I very much am on a point of order. Madam Speaker, I made no reference to the shredding of files in my question. I simply asked the Minister why he sent current files, files which are needed for him to answer questions before committee. Why were those current files sent to the Archives, denying the Minister answers to questions that are being posed?

MADAM SPEAKER: Order, order please.

MR. D. ORCHARD: That's the question, Madam Speaker.

MADAM SPEAKER: Order please.

The honourable member knows he does not have a point of order, that he cannot determine which Minister answers his questions, or indeed, the content of the answer.

The Honourable Minister responsible for Culture, Heritage and Recreation.

HON. J. WASYLYCIA-LEIS: Files that are scheduled, as are the files for the Minister responsible in this case, are sent as speedily as possible to the Records Centre for storage there, given the fact that it is impossible to keep records going back several years in Ministers' offices. It's quite a normal practice; it's the case in all of our offices that files are sent as space runs out. In this case, a set of unfortunate circumstances followed, and I would be happy to account for all of that in this House.

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

Does the Minister expect the people of Manitoba to seriously believe him when he says that files current and necessary to answer questions currently before

the MPIC are sent (a) from his office; and (b) are shredded so they're not available for the public? Does the Minister expect the people of Manitoba to believe that malarkey?

MADAM SPEAKER: Would the honourable member like to rephrase his question so it does not seek an opinion?

MR. D. ORCHARD: Madam Speaker, does the Minister responsible for MPIC, after having given three different answers to the reinsurance losses in the short period of time of seven days before this House, does that same Minister expect the people of Manitoba to believe that his documents and records were inadvertently shredded, records and documents needed to prove his case before the committee?

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, on a point of order. At sometime the wilful distortions have to stop. That sort of question is clearly out of order in this House or in any other House where matters of this nature are under discussion.

The Member for Pembina knows that question is out of order. As a matter of fact, you just asked the Member for Pembina to rephrase the question, and instead of rephrasing the question to try to abide by the rules before the House he, once again, participated in a wilful distortion of the facts which have been put before this House; and there is an occasion when all members of this House must stand and put an end to that sort of distortion and those sorts of questions which are not intended to solicit information, which are not intended in any way to further the cause of reviewing this matter, but are only intended to lead to facetious arguments that the member opposite wishes to continually put forward.

Madam Speaker, you suggested the question was out of order previously; it is out of order now. I'm supporting you in that suggestion, but I also want to make it very clear that not only members on this side have the responsibility to make certain that this question period is used productively, but members opposite do as well, and we will no longer abide by that sort of misuse of this question period.

MADAM SPEAKER: The Honourable Member for Pembina, with a question.

MR. D. ORCHARD: Madam Speaker, I believe my question stands and I would like the Minister to answer.

MADAM SPEAKER: Order please. The honourable member cannot determine whether or not a Minister answers a question.

The Honourable Member for Pembina.

MR. D. ORCHARD: Well then, Madam Speaker, just simply let the record show that the Minister cannot explain his actions . . .

MADAM SPEAKER: Order please, order please.

Archives - identification of documents

MADAM SPEAKER: The Honourable Member for Springfield, with a question.

MR. G. ROCH: Thank you, Madam Speaker, to the Minister of Culture, Heritage and Recreation, the Minister responsible for Archives and Cabinet document storage.

How are Cabinet documents and those which are sent to the Archives for filing, how are these Cabinet documents identified?

MADAM SPEAKER: The Honourable Minister of Culture and Heritage Resources.

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

Documents -(Interjection)- obviously, members opposite don't want to hear the facts on this issues, Madam Speaker.

MADAM SPEAKER: Order please.

The Honourable Minister has the floor to respond to the question.

HON. J. WASYLICIA-LEIS: Madam Speaker, files are scheduled and a code is applied to those files, based on the type of files. In this case, the files for the Minister of Housing, of which MPIC were a part, were scheduled in 1984 and under the code of H0003.

MR. G. ROCH: Madam Speaker, to the same Minister. Are signatures required to initiate shredding of government documents?

HON. J. WASYLICIA-LEIS: Madam Speaker, all documents scheduled for retention should not be, and except with this particular instance, are not shredded.

The shredding of or the processing and scheduling of documents is prescribed in legislation, that is The Legislative Library Act, No. 120, Part II of that legislation, and there is a dynamic process in place for dealing with every file on a case-by-case basis. The process involves a documents committee, involving representation from the Minister of Finance, the Attorney-General, the Minister of Government Services, the Minister responsible for the Archives, and that committee determines each file on a case-by-case basis.

In the event that the file is deemed to meet the criteria specified in the legislation, I refer again to Legislation 120, which delineates which documents can be destroyed and for what reasons.

Madam Speaker, in the event that following this process involving the documents committee, a document is listed for destruction. There is still a process involving a 28-day period of information to the Minister's office before any records are destroyed. A very rigorous process is in place. In the case, Madam Speaker, in the case of this particular incident, it can be, as far as we can tell -(Interjection)- Madam Speaker, I'm having a hard time over the chattering and laughing of members opposite, given the seriousness of this issue. They don't like the truth. In this particular case, Madam Speaker, there appears to have been an element

of human error involved and a breakdown of procedures.

MR. G. ROCH: Madam Speaker, in view of the lengthy answer, which was not ruled out of order, I take it that signatures are required. If so, whose signature or signatures are required?

HON. J. WASYLICIA-LEIS: As records are scheduled, documents must be signed by representatives from the Minister of Finance, the Minister of Government Services, the Attorney-General, the Provincial Auditor and the Provincial Archivist as well as by the Minister responsible.

MADAM SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Thank you, Madam Speaker.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please.

MR. H. ENNS: Madam Speaker, I direct a question to the Minister responsible for the Archives.

Madam Speaker, having twice experienced the not all-too-pleasant experience of serving an administration that loses the confidence of the people, and then has been asked to leave a ministerial office, I can distinctly remember, usually within that transition period, a few days after a Minister has lost an election, or his government has lost an election, receiving a letter from the Provincial Archives requesting that ministerial files be turned over to the Provincial Archives.

Madam Speaker, my question to the Minister is: When has this policy changed, that a Minister active in his responsibility, active in his portfolio, is turning active files over to the Archives? I'd simply ask, when was that policy changed? I can remember getting those kind of letters when I lost my ministerial office as a result of an election, within that transition period - 10 days after losing that position.

HON. J. WASYLICIA-LEIS: In 1981, members opposite will be fully aware of this, since it was during their last year of office - our records management process was put in place, involving all of the steps that I have just mentioned. As well, Madam Speaker, with the passing of The Freedom of Information legislation, every effort has been made to ensure that there is steady progress made with respect to scheduling of documents, and the compilation of an access guide in line with what members opposite have been asking for.

I should point out that the situation is quite improved since previous to 1981 when, in fact, although we have no evidence of records being destroyed, we do know of instances where Ministers upon leaving office, particularly Ministers in that term of office, walked off with many files. There are no records in our Archives of Ministers' files from that period in some cases.

MR. H. ENNS: Just one supplementary question, Madam Speaker.

We can assume then in the Opposition, that all the Ministers' files - their current files, are at the Archives. Is that a fair assumption to be made?

HON. J. WASYLICIA-LEIS: First of all, all records must be scheduled, and that involves a form and I'd be happy to table samples of that form, indicating the kind of process that is undergone with respect to the scheduling of records.

Once a Minister's files are scheduled, then as the office is in need of space and basically as space is required, and the office has time to put the files in the order according to the way in which they were scheduled, then a call is made to the record centre, to request that these records be picked up and stored according to the way in which they were originally scheduled.

Administrative costs - limited to inflation rate

MADAM SPEAKER: The Honourable Member for River Heights.

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

My question is to the Minister of Finance. Yesterday in response to my question regarding increased government administrative costs, the Minister of Finance said and I quote: "In fact overall administration costs in this Budget for all departments are at levels just slightly higher than the previous year, and our rate's lower than the cost of inflation." How does the Minister, therefore, explain the fact that administrative costs in this Budget are \$2.6 million or 5.6 percent above last year's, or 1.5 percent above the rate of inflation?

MADAM SPEAKER: The Honourable Minister of Finance.

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

I don't know of the figures that the member quotes, but the figures that I have indicate that there's about a 2 percent increase overall of administrative spending right across all government departments. I'm sure once we have the opportunity of dealing with the line-by-line expenditures that we can get into the details of the spending.

As I indicated, overall expenditures are up significantly. Most of the increases go to areas like health, education - \$118 million directly to the Department of Health. There are other areas of government expenditures where there have been increases that are below the cost of inflation. There are some areas where expenditures have been reduced, in terms of trying to ensure that we have the revenues, and the expenditures going in the areas that are of the highest priority for Manitobans.

Executive Support Salaries - increase in

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

Can the Minister explain why his executive support salaries went up by 36 percent in this Budget?

HON. E. KOSTYRA: As I indicated, overall administration costs throughout the government went up by levels that are within line. In my particular office, there were increased activities out of the Deputy

Minister's Office, which saw the addition of staff in that office, and some reclassifications. But I don't think the increases are that large. In fact, I don't think - I think in percentage terms they're not different from the increases in the expenditures in the office of the member that raised this question.

MRS. S. CARSTAIRS: A supplementary question, but this time to the Minister of Co-operative Development.

Can the Minister explain increases in his executive salaries of 14.2 percent, which shows a blatant disregard for the notion of responsible government spending, particularly when his department's overall budget went down by 56 percent?

MADAM SPEAKER: The Honourable Minister of Co-op Development.

HON. J. COWAN: Yes, Madam Speaker.

The member full well knows why it is the Budget went down in such a significant amount. There were two major agreements which expired, one during the course of the year and one which expired previous to the year, so that is a reduction in the departmental activities.

As a matter of fact, in the other activities as a department, the support activities for co-ops, and that's what the department is there for, the increases were increases that allowed them to provide for more support and more assistance to co-operators in this province and to develop new co-operatives. That's why I think for the past three years running, we have had record years of incorporations of co-operatives in this province. We make no apology for putting the resources together that are required to bring a better co-operative movement to Manitoba.

In respect to the increases, she will note that the Executive Support portions of the Estimates actually went up 2 percent. What went up was Finance and Administration, which went up because of the addition of one staff year. Here's where the member - and I don't believe she's trying like others to wilfully distort - makes a mistake. The mistake, Madam Speaker . . .

A MEMBER: Order, order.

MADAM SPEAKER: Order please.

If any members have any points they want to bring to the Speaker's attention, they know the process to do it.

The Honourable Member for Portage la Prairie with a point of order.

MR. E CONNERY: On a point of order, Madam Speaker.

The member said that we were "wilfully distorting," and I resent that remark that we are wilfully distorting. I ask that you request him to withdraw that remark.

MADAM SPEAKER: The Honourable Minister of Co-op Development.

HON. J. COWAN: On the point of order, and then I would, after you've made your ruling, Madam Speaker, wish to continue with the answer because I think it is important that members opposite understand what is happening in respect to the question that was posed by the Member for River Heights.

I suggested that I do not believe the Member for River Heights is wilfully distorting, such as some other members opposite may in fact be doing. Madam Speaker, if that offends members opposite, I will withdraw the words but the record stands for itself. If they are offended by what is happening, perhaps they should talk to some of their own caucus to make certain that that sort of action does not take place in this House. If the words offend him, the words are withdrawn.

In respect to . . .

SPEAKER'S RULING

MADAM SPEAKER: Order, order please.

On the point of order, I heard the Honourable Minister say that he did not think that the Honourable Member for River Heights had wilfully distorted.

I understand that the Honourable Member for Portage la Prairie is raising another reference, which I am afraid I did not catch, but I will expect the Honourable Minister, because "deliberately distort" and "deliberate distortion" are unparliamentary, to unequivocally withdraw any imputation that any honourable member has wilfully distorted information to this House.

All honourable members are honourable members on both sides of this House and should be referred to that way.

The Honourable Minister.

HON. J. COWAN: Madam Speaker, I appreciate full well your ruling. I appreciate full well the sensitivity of members opposite and withdraw those words categorically. I'd expect, Madam Speaker, that when they make imputations and allegations and suggestions that are out of order, that their . . .

A MEMBER: Order, Madam Speaker.

MADAM SPEAKER: Order please.

I do hope the Honourable Minister is not directing the Chair in any way. We are now replying to the Honourable Member for River Height's question.

HON. J. COWAN: No, Madam Speaker, I was not intending to direct the Chair.

If you'd just let me finish the one sentence. I was saying I would hope members opposite would talk to each other in their caucus, so that those sorts of statements are not advertently or inadvertently brought to the House; not to suggest, Madam Speaker, that what applies to one side of the House should not apply to the other and we appreciate your ruling and I unconditionally withdraw those words.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please.

Executive Support Salaries - increase in

MADAM SPEAKER: The Honourable Minister of Co-op Development to reply to the question put.

HON. J. COWAN: Thank you, Madam Speaker.

The difficulty in what has happened to give the increase which the Member for River Heights references is that one staff year has been added to a complement of seven. And when one staff year is added to a complement of seven, you have a percentage increase of the magnitude that she suggests is out of order.

If the Member for River Heights would look at her own area of administration of her office, she will find that the increases there are in the hundreds of percents, and I don't believe that is inappropriate, Madam Speaker, and I don't believe that she shouldn't have that sort of staff support available to her, I think she needs it; but I do believe that she should not try to suggest that, in one instance, the increases are outrageous and in her own instance, the increases would not be so. The increases in effect to her budget are in the hundreds of percent over since when she was first elected.

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

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

MADAM SPEAKER: Oh, the Honourable Member for St. Norbert on a point or order.

MR. G. MERCIER: Yes, Madam Speaker. With respect to the remarks of the Government House Leader, as the Government House Leader and the Minister of Finance well know, the increases in operating expenses given to Members of the Legislative Assembly last year were done by agreement between the government, the Opposition and the Member for River Heights, and I don't think it's appropriate that they should reflect - either the Minister of Finance or the Government House Leader - in the way they have on the operation of the Member for River Heights' office.

MADAM SPEAKER: The honourable member has a dispute over the facts. It's not a point of order.

HON. J. COWAN: Madam Speaker, on a point of order.

MADAM SPEAKER: The Honourable Government House Leader on a point of order.

HON. J. COWAN: So that the record be clear, Madam Speaker, the increases which were given to all members are not the increases to which I was referring.

The increases to which I was referring were increases given only to that member.

MADAM SPEAKER: Order please.

Question period is not a time for debate. Question period is a time for questions to be asked and answers to be put. A dispute over the facts is not a point of order, as I've reminded honourable members many times.

Mrs. Carstairs - additional funding

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

MRS. S. CARSTAIRS: Madam Speaker, could I ask the Government House Leader, please, what additional funding I have been given, other than the \$500 between \$3,200 and \$3,700 between the fiscal year last year and this year?

MADAM SPEAKER: The Honourable Minister of Co-op Development.

HON. J. COWAN: Madam Speaker, if the member had listened, she would have heard me say, since she was elected to this House, which is two years running.

The increases are staff increases which were given to her, which were not given to other members of this House. They were given to her particularly to allow her to perform her function, a political function, as the leader of a particular party; and they were given, Madam Speaker, upon request, because it was felt it was necessary for her to perform certain duties.

Madam Speaker, we are not begrudging the fact that they were given. We believe they were given and they are being well utilized. What we resent is the implication

. . .

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

Middle income - definition of

MADAM SPEAKER: The Honourable Member for Morris.

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

Yesterday, in his answer or non-answer to a member who questioned him with respect to revelations in a Free Press article suggesting that the effect of this Budget had the greatest negative impact upon the middle-class taxpayers of our province, and given the fact that this government and this NDP Party has been repeatedly critical of all governments that tend to reflect, tend to zero in on the middle-class when they begin to raise additional taxes, can the Minister provide his definition of what middle income means, given the fact that the average family in Manitoba earns \$34,000.00?

MADAM SPEAKER: The Honourable Minister of Finance.

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

The Member for Morris continues, as does his friends, to use selective statistics when they look at the impacts of this Budget on different classes of tax filers. They use an example of a tax filer at a high income level of over \$206,000 that, in essence, doesn't exist, because the tax filers at that kind of level have a good part of their income coming from salary and a good part of their income coming from investment, not purely on salary. If you look at what happens to that particular tax filer as a result of the Budget, you will see that the impact is quite considerably more than that which has been recently reported.

The same thing is true if you look at even the lower-end example that his friend used, of \$27,000.00. You could take the same example and have an individual

in that class with a child or two children in day care, and you find that particular taxpayer, at \$27,000, will actually see a reduction in her taxes if she was a single parent with children in day care. So it is obvious, Madam Speaker, that this Budget has attempted to raise revenue in the fairest way possible.

The reality is that the present income tax system has got all of the problems with it that have been exposed on many occasions. We have brought in a revenue tax, under income tax, in the fairest way possible, given the constraints of the existing system.

MR. C. MANNES: Madam Speaker, the question was very specific. In an attempt to remove these variations, I asked the Minister to define his interpretation of middle-income earner. My question was specific. Will he undertake to give us a definition, give the House a definition of that, as of right now?

MADAM SPEAKER: That question is repetitious.

Budget - lower- and middle-income families

MADAM SPEAKER: The Honourable Member for Morris.

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

Would the Minister then indicate whether there was a typographical error in his Budget Address, page D 19, when he said, "Manitoba changes reduce taxes for lower- and middle-income families"? In fact, is that a wrong quote? Was there a typographical error or does he stand by that assertion?

HON. E. KOSTYRA: I stand by that assertion and the facts bear that out.

Let me just tell you the kind of lies . . . I'm sorry, Madam Speaker, the kind of information that is being presented - I withdraw that term, Madam Speaker - the kind of information that's being put forward by the Conservatives in terms of this Budget is doing some damage to reality in terms of what is happening for people under this Budget.

As an example, the average income for senior citizens in this province, Madam Speaker, is \$17,000.00. Most senior citizens in this province will get tax reductions as a result of this Budget, and if they would take the time to look at what their counterparts are doing to taxpayers in Manitoba, if they want to talk about the biggest tax grab, I sat down with some senior citizens this week who have income of \$15,000 from pension purposes. Their taxable income is \$4,910.00. That is what their taxable income is, and do you know how much more they're paying in federal income tax this year - \$109, Madam Speaker. That same taxpayer will get a break under our Budget, Madam Speaker.

Budget - balanced by 1991

MR. C. MANNES: Madam Speaker, a new question to the Minister of Finance.

Madam Speaker, there is not one chance in a million that the Budget of this province will be balanced by

1991, certainly if the government is still in the hands of the NDP.

Can the Minister of Finance lay before this House a multi-year Budget that has allowed the Premier of the province to say outside of this House on Friday last that indeed the Budget would be balanced by 1991? Would the Minister of Finance now lay before us something that we've asked him to do on several occasions, a multi-year Budget that will show where the Budget of this province will be balanced by 1991?

HON. E. KOSTYRA: The financial plan for this province has been laid out in the Budget, it's been laid out very clearly in terms of how we are dealing with the needed services for Manitobans through the expenditures, we deal with how we are raising the revenue to meet the service needs of Manitobans and we show the deficit, the net shortfall between what is required for expenditures and what is raised through revenues. The member knows full well that there is a significant reduction this year in the deficit of our province by some \$150 million, something that is taking place in the province right next to us, that is managed by those fiscally responsible people who increased their deficit from what they went into an election with of some \$300 million to \$1.2 million.

We will work to ensure that we maintain services in this province. We will ensure that we would raise the revenue in as fair a way as possible. We won't increase Medicare premiums like they did in the Provinces of Alberta and British Columbia, by \$96 in the case of Alberta per every family in that province. We will ensure that we have the revenues to meet the expenditure needs and bring about a reduction in our deficit, Madam Speaker.

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

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

I took no answer from the rambling of the Minister of Finance. I direct my supplementary to the Premier, Madam Speaker.

Can the Premier tell this House whether he made the assertion on Friday last that, indeed, the Budget of this province will be balanced in 1991, did he make that on the basis of some multi-year Budget, some figures that were down on paper, that gave him the confidence in saying that the Budget would be balanced in that year 1991? If so, would he lay that before the House?

MADAM SPEAKER: The Honourable Premier.

HON. H. PAWLEY: Madam Speaker, this government is principally concerned, (a) on ensuring that vital important social services are maintained, are enhanced; and (b) in ensuring that we maintain our record of job creation. The Minister of Finance, in this Budget, has projected a reduction of some \$150 million in the deficit in this year alone, Madam Speaker. If we are not subjected to external economic circumstances, and we maintain the present path, then, Madam Speaker, under this stewardship, we will see a balanced Budget. Unlike

the Tories, unlike their experience in Saskatchewan, unlike their experience in Alberta, where deficits have quadrupled and tripled beyond what was expected, we can see a gradual reduction.

Northern Tax Allowance - Thompson and Wabowden

MADAM SPEAKER: The Honourable Member for Thompson.

MR. S. ASHTON: Madam Speaker, I also have a question for the Minister of Finance.

In December of last year, the Federal Government announced criteria for the northern tax allowance which excluded the communities of Thompson and Wabowden. In view of the fact that 46 other northern communities in Manitoba and many other communities across Canada are eligible for the northern tax allowance, I would like to ask the Minister if he has received any indication from the Federal Government that they are willing to reconsider this unfair exclusion of Thompson and Wabowden?

MADAM SPEAKER: The Honourable Minister of Finance.

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

I thank the member for that question and I share his concern with respect to the situation as it exists for those communities under their recent changes. I have written to the Federal Minister of Finance asking him to review that particular situation to see if there can be changes made so that the negative impact on those communities can't be changed, so they will not feel the kind of impact that they are going to as a result of that change.

MADAM SPEAKER: The time for Oral Questions has expired.

HOUSE BUSINESS

MADAM SPEAKER: The Honourable Opposition House Leader.

MR. G. MERCIER: Thank you, Madam Speaker.

I have some questions to the Government House Leader on Government House Business, Madam Speaker.

Firstly, Madam Speaker, at my request, the Clerk has supplied me, and I'm sure the Government House Leader, with many pages of lists of Annual Reports that should have been filed now in the House. Can the Government House Leader indicate to the House when these will be filed and hopefully they will all be filed by the end of this week?

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Yes, as a matter of fact, Madam Speaker, I believe some of the reports on that list have already been filed in the time ensuing since the list was

prepared. I'm not certain if it's up to date today or not; but in any event, as is the practice, the reports are filed as soon as they are available and as soon as possible.

If there are specific reports on the list, Madam Speaker - well, I hear the members opposite suggesting from their seats that might not be the practice. I would suggest that they go back through the Hansards and go back through the Journals and they will see that when they were in government and when we're in government that reports do filter into the House over a period of time. They will also find references where House Leaders have stood up and asked when will the reports be available and received responses similar to this response. If there are particular reports that the member opposite would like to see expedited, then, in fact, I would sit down with the Opposition House Leader and see if we can't accommodate that. But the reports are being developed and they will be tabled in the House as has been the practice in the past as soon as they are available.

MR. G. MERCIER: Madam Speaker, last week's Order Paper showed some nine Orders for Return accepted but not returned, including items such as polls and public opinion surveys commissioned by the province, and leaves of absence taken by provincial employees and civil servants. Could the Government House Leader indicate when all of these Orders for Return will be filed?

HON. J. COWAN: Again, as is the practice, Madam Speaker, the returns are filed as they are completed. I will go over the list today to determine what is still outstanding and discuss that matter with the Opposition House Leader. There have been a number that have been returned as of recent and there are others that are nearing completion that could be returned in the near future. There are others that are going to take more time.

MR. G. MERCIER: Madam Speaker, with respect to the calling of the committee to further consider the Manitoba Public Insurance Corporation Annual Report, I would ask the Government House Leader, given the need by Opposition members to have an opportunity to receive and peruse Hansard of today's meeting, to receive the documents requested at today's meeting, to review the minutes and to review the 1986 report on reinsurance, could the Government House Leader indicate when the next meeting of the committee will be called?

HON. J. COWAN: We, on this side, would like to have that committee meet tonight on the basis that there were a number of suggestions during the committee by the Member for Pembina, and perhaps the Leader of the Opposition, I'm not certain, but certainly the Member for Pembina, that the committee must continue to meet to review matters that they are aware of and matters which they would like answers to. So, if it's agreeable with the Opposition House Leader, we would have the committee meet this evening?

MR. G. MERCIER: Given all of the reasons I have cited in my earlier question to the Government House Leader,

it is not acceptable and I think it would be a waste of time for the committee to meet until this information is available and has been perused.

MADAM SPEAKER: The Honourable Government House Leader.

Order please.

HON. J. COWAN: Then let the record be clear that we did want to have the meeting this evening. This evening was opportune for committee members on this side. We were able to free up our time in order to have that meeting. However, as has been the practice in the past, and I have appreciated the cooperation of the Opposition House Leader in scheduling meetings of the committee, I would be prepared to sit down with the Opposition House Leader and determine when the meeting can be next held. But, just so that the record is clear, we would prefer it to be held this evening. We understand that members opposite would not wish it to be held this evening for a number of reasons which they have put forward, and I would be pleased to sit down with the Opposition House Leader and discuss when there might be another appropriate time for that meeting when all members can attend and be comfortable with the timing.

MR. G. MERCIER: Can the Government House Leader indicate when the documents that were requested today will be available?

HON. J. COWAN: Madam Speaker, I've not had an opportunity to review all the requests for the documents, but I would ask the Opposition House Leader, is he suggesting that all those documents should be available before the committee next meets?

MR. G. MERCIER: Madam Speaker, if the Government House Leader could indicate Hansard will be available tomorrow, we would suggest the committee meet again Thursday morning.

HON. J. COWAN: Madam Speaker, the development and the production of Hansard is not in my hands, so I can't indicate yes or no.

I do still have a question. The question is: Because the Opposition House Leader suggests that one of the reasons they don't want to meet is because they don't have the documents they requested, is he suggesting that we not meet until those documents are available?

MR. G. MERCIER: Madam Speaker, I'm suggesting to the House Leader that we're prepared to meet on Thursday morning if Hansard is available tomorrow. Now that was easily done at our request with respect to the MTX Committee meetings. I would hope that the same procedure could be followed, and Hansard could be made available tomorrow and the committee could meet again Thursday morning.

HON. J. COWAN: The Opposition House Leader will recall, when that was done for the MTX meeting, there was a lot of advance time given. It was an agreement that was reached far in advance of the particular meeting. I understand that Hansard had to make special

arrangements in order to accommodate that request. The House was not sitting at the time, so they did not have the other business of the House available to them.

I guess my question to the Opposition House Leader is: What materials does he want prepared before the committee next meets, because that was one of the specifics he indicated was a problem with the committee meeting tonight?

MR. G. MERCIER: Madam Speaker, my answer to the Government House Leader is very simple. If Hansard is available tomorrow, we're prepared to have the committee meet on Thursday morning. If it's not going to be available and the other documents that have been requested are not available, perhaps the next meeting should be the first Tuesday morning when the House convenes after the spring break.

HON. J. COWAN: There are a number of options available to us, and I think what is being displayed here is a difficulty in trying to sit down and answer all the questions and make the arrangements for a committee meeting, which sometimes becomes complex while standing on our feet in this House. So given the options that have been presented by the Opposition House Leader, I am prepared to sit down with him and discuss when it is the committee should next meet and what should be available to that committee before it does next meet. But it would certainly have been our preference and our wish to have had that committee meet this evening so that this matter could be considered in a forthright and immediate manner.

ORDERS OF THE DAY BUDGET DEBATE

MADAM SPEAKER: On the adjourned debate of the proposed motion of the Honourable Minister of Finance and the proposed amendment thereto of the Honourable Leader of the Opposition, the Honourable Member for River East.

MRS. B. MITCHELSON: Thank you, Madam Speaker.

I'm pleased, Madam Speaker, to have the opportunity today to respond to the second Budget and the proposed amendment by my leader presented to the Manitoba Legislature since my election one short year ago. As I stated in my response to the Throne Speech, Madam Speaker, this past year has provided me with an opportunity to grow and to learn, to understand the legislative process more fully and to feel more comfortable in my role representing my constituents in River East.

Madam Speaker, my constituents in River East are not terribly pleased with this classic NDP Budget, classic in respect to five consecutive years of \$0.5 billion deficits. Who can expect this year to be any different, Madam Speaker, when past experience has shown us that the projected deficits have been underestimated? It has already been said, Madam Speaker, by my leader and by others on this side of the House that this is the biggest tax grab, the largest overall tax increase in the history of our province. Four out of five Manitobans will be paying more as a result of this \$368 million increase in taxation.

Every other province, Madam Speaker, as well as the Federal Government, has looked inward to try to reduce the Civil Service and government bureaucracy. However, this government chooses to maintain the largest Cabinet in the history of Manitoba and maintain all the apple polishers and political hacks with no internal belt-tightening. They have chosen the unhonourable way, Madam Speaker, and taxed Manitobans rather than cut costs.

The Minister of Finance in the Budget Address states, and I quote: "Our NPD Government responds to the needs of people." Well, Madam Speaker, let me tell you what some of the people of Manitoba are responding to the Minister of Finance in this Budget. I quote from the Winnipeg Sun on Wednesday, March 18, and these are just the ordinary, average people in Manitoba who are saying: "That's a lousy Budget. There was no attempt to curb spending. You can't live in a deficit world forever. Someday we're going to have to pay for it." Madam Speaker, this was a 60-year-old retired person who said this.

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

I quote again, "They are out of control. They are not accountable for the money they spend, and then the little people who are being stepped on have to pay for this." This was a 45-year-old office worker, Mr. Deputy Speaker.

I quote a third quote, Mr. Deputy Speaker: "This Budget is not fair to the poor, the low income and the unemployed. The NDP are taxing us to pay for their blunders. They should curb their spending," a 55-year-old CN employee, Mr. Deputy Speaker.

Well, Mr. Deputy Speaker, I have to say that the real people in Manitoba are voicing real concerns. I don't know how this government can say that they are attempting to respond to the needs of the people of Manitoba.

Mr. Deputy Speaker, I had a little research done on how this NDP Government responds in the way of hiring government employees in the province. I'll tell you that statistics I have been able to obtain indicate to me, Mr. Deputy Speaker, that there's been a great increase in government employees and the bureaucracy in this Province of Manitoba. I just want to quote a headline from the Winnipeg Sun this morning that said "The Federal Government is decreasing the number of bureaucrats." The number of bureaucrats in the Federal Government is on the decline, Mr. Deputy Speaker, and public service employment is the lowest in 13 years in Ottawa.

But I'll tell you what's happened over the last few years in the Province of Manitoba as far as public service employment. When the NDP came into power in 1981, Mr. Deputy Speaker, there were 14,371 government employees. Today, Mr. Deputy Speaker, there are 20,558 government employees, an increase of 43 percent since the NDP Government has taken over in 1981 - apple polishers, political hacks.

If I can just go back to the four Conservative years when the Conservatives were in power in this province, the actual number of government employees decreased, Mr. Deputy Speaker. So this is the way our NDP Government responds to the needs of the people of Manitoba - wonderful.

If that's not enough, Mr. Deputy Speaker, let me just go to some of the departments in the Estimates this year and tell you what's happening in the Department of Health. In the Department of Health, the salaries in the Estimates are \$83.4 million -(Interjection)- no, in 1987. Those are the salaries. In 1981, Mr. Deputy Speaker, when the NDP Government took over, the total salaries in the Department of Health were \$38.6 million, an increase of 116 percent in five short years since the NDP Government has been in power.

Mr. Deputy Speaker, if that's not enough, in the Department of Highways, even though the budgets are being cut in the Department of Highways with this NDP Government, there has been a 52 percent increase in salaries in the Department of Highways.

Mr. Deputy Speaker, if that's not bad enough when they're decreasing spending and decreasing budgets, the Executive Council in this year's Estimates, there's been 142 percent increase in salaries since the NDP Party took over in 1981, the Premier's Office. Mr. Deputy Speaker, I ask you: Is this what the real people in Manitoba want for their tax dollars?

Mr. Deputy Speaker, I'd be quite remiss if I didn't talk a little bit about agriculture in this Budget. I notice that the Member for Kildonan, in his response to the Budget, he stated: "Farmers," and I'm quoting, "The Opposition has expressed its concern when it seems politically appropriate and expedient to be concerned about farmers." Well, Mr. Deputy Speaker, nothing could be further from the truth from that.

Our Agriculture critic and our Conservative caucus on this side of the House, over the past year, have been pushing hard for the removal of education tax from farm land. In fact, it was one of our election promises in 1986, Mr. Deputy Speaker. Nothing could be further from the truth. We, on this side of the House, have continually asked the Minister of Agriculture to take some positive steps to do something concrete for the farmers in this province. Last Session, Mr. Deputy Speaker, when we were debating The Family Farm Protection Act, 25 members on this side of the House spoke on that bill and our concerns for the farm community in Manitoba.

Where was the Member for Kildonan, Mr. Deputy Speaker, during that debate? In fact, where were 21 other NDP caucus members when we were discussing that bill? There were only eight members on that side of the House who were interested in the farm crisis last year, Mr. Deputy Speaker. But after the fact, after we've embarrassed them, Mr. Deputy Speaker, into finally taking some positive action on behalf of the farmers, the 21 members over there are now hopping on the bandwagon when it seems politically appropriate and expedient to be concerned about the farmers in Manitoba.

Moving onto Health, Mr. Deputy Speaker, I guess the new Minister of Health or the up-and-coming Minister of Health, the now Minister of Urban Affairs, we seemed to spend an awful lot of time on his response to the Budget dealing with health issues in the province. Mr. Deputy Speaker, I will quote him as saying: "We are headed rapidly to a two-tiered health care system in this province."

Well, Mr. Deputy Speaker, I did suggest in my response to the Throne Speech that, yes, we are heading towards a two-tiered health system here in

this province. I don't believe it's anyone's fault but this NDP Government that's caused this problem. There's a two-tiered system forming here, one for the rich and one for the poor, because our standards of services here can't compare or compete with other areas, other provinces. People are having to travel out of province, Mr. Deputy Speaker, to get the care that they need. So when the Minister of now Urban Affairs - probably the upcoming Minister of Health - suggests that, I agree with him wholeheartedly.

Another area that the Minister for Urban Affairs, the Member for Concordia, mentioned was preventative health care, Mr. Deputy Speaker. Just let me quote what he says about preventative health care: "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 care in this province and indeed in this country, because it is in our long-term best interests."

Well, Mr. Deputy Speaker, I think the NDP Government should look at practising what they preach. If you look at the Estimate Book this year, as far as health promotion - and let me tell you what health promotion is, Mr. Deputy Speaker. Health promotion in the Budget provides the nucleus for coordinated planning and delivery of health promotion programs, focusing on the reduction and prevention of life-style related diseases, also coordinates the development of services to the well elderly.

Well, Mr. Deputy Speaker, although the budget in the Department of Health has increased by \$118 million, health promotion, the very thing that the Member for Concordia has been saying is one of their priorities, has decreased by \$150,000 in this year's Estimates. So tell me where their priorities are, Mr. Deputy Speaker.

The third area in health that I'd like to speak on briefly is the increased home care assistance, and I'm glad to see that money is going into that very important area. But once again, Mr. Deputy Speaker, I have to go back to my comments in the Throne Speech Debate. I did indicate at that time that there were three areas in the health care system that were of import: one of them was access; one was delivery; and one was actual medical service provided. Well, Mr. Deputy Speaker, accessibility once again means very little if the system that you are accessing cannot provide the best available service.

I'm glad there's more money going into home care, Mr. Deputy Speaker, but tell me: Where is this government going to find the providers to give this much-needed home care when right now - I am told by people who are using the system and people who are working within the system - we cannot find people who want to become homemakers, who want to become home orderlies? The jobs are there, the positions are there, and we can't fill them. We can't find the people. So it's going to be very interesting, Mr. Deputy Speaker, to see what this innovative government is going to do with all of the increased funds to find those people to fill the spots, to look after the people in this province who need that care the most.

Well, Mr. Deputy Speaker, I think that this Budget will go down in the history of this province as the most irresponsible and ill-conceived Budget ever perpetrated on the people of Manitoba. If the intent of this NDP Government was, Mr. Deputy Speaker - and I expect

that it was - that all Manitobans, without exception, were to feel the full weight of the total mismanagement of this government, they have indeed accomplished their goal.

This Budget, Mr. Deputy Speaker, has not only penalized the so-called affluent in our province - all those wealthy people who earn over \$30,000 a year - they've penalized those people with a 2 percent net tax increase.

The business community, Mr. Deputy Speaker, have repeatedly stated that the payroll tax stops business from creating jobs, also the middle income or the average Manitoban and the lower socio-economic group of Manitobans that this NDP Government professes to support - what hypocrites! The NDP has at least been above board and up front, Mr. Deputy Speaker, with their lack of interest, disdain and contempt for the affluent and for the business community.

This Budget clearly indicates to all Manitobans that the average and the middle class and even the poor and underprivileged and those who can least protect themselves have not escaped this contemptuous lack of concern with the 1 percent increase in sales tax, the tax that the NDP has stated is regressive and unfair and places the burden of taxation on the backs of working Manitobans.

The increased sales tax, increased Autopac rates, increased telephone rates, increased Hydro rates, increased highway and licence fees, increased cigarette and liquor taxes will be borne by all Manitobans, Mr. Deputy Speaker, the rich and the poor.

If I can just tell you what some of those ordinary Manitobans are saying again from the paper, some quotes - there's more, there's many. On one small page there are many quotes that indicate what this government has done and what the average people in Manitoba feel about this Budget, Mr. Deputy Speaker. One quote, "Hey, it's a well-planned Budget and if we have one more like it, the NDP will finally rid itself of the last stumbling block, the taxpayer."

"This Budget really irks me. My wife and I are trying to get ahead but with this how can we?"

It goes on, Mr. Deputy Speaker. "I think this is the most terrible thing that ever happened to Manitoba. I'm packing my bags and heading to Alberta or B.C. to set up my business."

It gets even worse, Mr. Deputy Speaker. "I think it's time we got rid of the NDP. They're taxing the little guys to death and bleeding the province."

These are two classics, Mr. Deputy Speaker. "I'm a card-carrying member of the NDP but I think that's going to go in the garbage now. I can't blame anyone for moving."

Listen to this one, "Seeing we already have world-class taxes and Kostyra is doing such a fine job of raising them, I've just come to the conclusion that'll be the last time I vote NDP."

If you want to get really nasty, I'll quote the very last one, Mr. Deputy Speaker. "I think they're all donkeys. This 1 percent increase on sales tax is ridiculous."

Well, Mr. Deputy Speaker, what can I say? Those aren't my words. Those are the average people of Manitoba that are voicing their opinions about this very ill-conceived Budget.

Mr. Deputy Speaker, if the 1 percent increase in sales tax in itself is not enough insult, what could be the

possible rationale for applying sales tax to vital energy conservation material such as insulation? This is just another example of the hypocrisy of this NDP Government who is continually bleeding its concerns about the environment and conserving our non-renewable resources such as gas and oil for heating. What do they do, Mr. Deputy Speaker? They tax the very materials that would make our homes energy-efficient. What a wonderful legacy, Mr. Deputy Speaker, this NDP Government is leaving for future Manitobans. Thanks to members opposite, and their socialist views, we now have the honour of being the highest-taxed citizens in Canada with the exception of Quebec. I have no doubts, Mr. Deputy Speaker, that this NDP Government is determined and will take all the necessary steps in the near future to ensure that Manitoba replaces Quebec in the No. 1 position as the highest overtaxed province in Canada.

Mr. Deputy Speaker, I am confident that based on what I have seen in my short time in this House, with the scandalous waste of taxpayers' money on MTX last year and right now on MPIC that the members opposite are well on their way to ensuring first place honour for the citizens of Manitoba.

Mr. Deputy Speaker, just to ensure that there is little or no chance of recovery from the scandalous waste and mismanagement of tax dollars, the NDP financial genius, the Minister of Finance, supported by the Premier and members opposite have increased the payroll tax to make sure that no prospective business will want to locate or relocate in Manitoba to provide any relief for the overburdened taxpayers of Manitoba.

However, Mr. Deputy Speaker, help is on the horizon. The Minister of Energy and Mines, the Member for Transcona tells us he is unconcerned and he is steadfast in his determination to go into the production of potash in Manitoba in the next seven years while the market is depressed, and in Saskatchewan potash workers are being laid off.

But that's not all, Mr. Deputy Speaker, there's more help on the way from the same Minister. He also tells us not to be concerned that we are spending billions of dollars, and are mortgaging future generations of Manitobans for years to come to produce Hydro. What seems to have escaped him, is that there are no real confirmed sales of this Hydro. All indications are that the Western Power Grid is dead, Mr. Deputy Speaker, and that our American neighbours to the south continually remind us that they are prepared to buy Hydro, yes, but only at the same price as their cost for producing thermal energy which is less than our cost of production.

I could go on, Mr. Deputy Speaker, at great length with all the ill-conceived costly measures that this government has been involved in. However, they've all been well documented in this House and further, nothing can convince me that the members opposite would show any concern for the economic dilemma they have placed this province in than they have since being elected to government, ignored and overtaxed all Manitobans.

My greatest concern, Mr. Deputy Speaker, is that when the walls come tumbling down and Manitobans throw this inept government out of office, how will their successors ever recover from the terrible economic dilemma they have placed this province in?

Mr. Deputy Speaker, the Premier and the Minister of Finance can continually be heard saying they will not cut and slash programs to reduce the deficit. It seems that they would rather cut and slash the pocketbooks of all Manitobans, those already badly hemorrhaging as a result of high taxation placed on them by this government.

It seems, Mr. Deputy Speaker, that the Premier would rather skulk and sneak around the issue not unlike the pickpocket or the purse snatcher and pull the biggest tax grab of all time. We know who the lookout man in this operation is, too. It's the Minister of Finance. I can't help but reflect that this Premier and his cohort, the Minister of Finance, will be forever known by Manitobans as "Pickpocket Pawley" and "Tax Grabbing Gene." The poor and the underprivileged, the working man in this province, average Manitobans that this government stands up for are not laughing today. As a matter of fact, many of them are on the verge of crying.

What a hoax this government has perpetrated on the public, Mr. Deputy Speaker - average Manitobans misled into believing that this government would look after them and care for their interests has turned upon them and taxed them unmercifully. The irony is, Mr. Deputy Speaker, that whatever financial gains that might have been made through this government's support of organized labour is simply being taxed away.

I wonder how the union movement in Manitoba must feel today, after this Budget, having whatever economic gains that they have made being taxed away by the very political party that they support.

Just in closing, Mr. Deputy Speaker, I'd like to quote from Thomas Paine, and he says, "Public money ought to be touched with the most scrupulous conscientiousness of honour. It is not the produce of riches only, but of the hard earnings of labour and poverty. It is drawn even from the bitterness of want and misery. Not a beggar passes or perishes in the streets whose might is not in that mass."

Mr. Deputy Speaker, as Peter Warren would say, Opposition, think about that.

MR. DEPUTY SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Thank you, Mr. Deputy Speaker.

Since this is my first opportunity to speak in a formal way since the beginning of this Session, I would be remiss if I didn't take the opportunity to congratulate the new Lieutenant-Governor, a person known to us all as a scholar and a gentle person. I have no doubt, indeed I think there is no one in this House who has any doubt, that he will do a splendid job and maintain the dignity which the previous incumbent brought to Government House.

(Madam Speaker in the Chair.)

I note - and indeed I was measuring my phrases to anticipate the return to her Chair of Madam Speaker - and to you, Madam Speaker, welcome back to the weird and wonderful world of the Legislature, where at times I suppose the sound track sounds like something from deep in the heart of the jungle, but we're kind of used to that at this juncture from this

side of the House; but you have continued to demonstrate, Madam Speaker, the unique abilities which we all saw in you in your ability to manage, at times, a difficult position.

I'm going to move right into a consideration of the Budget, although towards the end of my remarks, if time permits, there are one or two other things that I might want to say.

Madam Speaker, with respect to the Budget itself, I want to state at the outset that I am unequivocally and unashamedly proud of the concepts underlying this Budget. It's a Budget, in my view, informed by a particular point of view to which I, for one, wholeheartedly subscribe, to which my colleagues wholeheartedly subscribe and to which, clearly, the Opposition does not. That point of view is simply, let those who can best afford it pay, so that those who need some measure of economic or social assistance can receive that assistance.

Madam Speaker, let me put the matter somewhat more personally. In my particular circumstances, I will pay more, my spouse will pay more. We accept that, in the first instance, as a moral obligation. I cannot, for one, look about me and see the continuing misery of the very poor, the condition of life for many on the reserves in this province, the pressing problems of the disadvantaged in society, the urgent needs of many, if not most, family farms, the pain and social cost, Madam Speaker, of unemployment generally, but particularly of youth unemployment. I cannot, in all conscience, see all of that and the pressing need to maintain and, if possible, extend health services and education, schools, universities and colleges. I cannot see all of that and say, within the limits imposed by the federal tax system to which we are tied, that I should not pay my fair share. As a member of a human and, I hope, humane society, I have a moral obligation to do that.

Madam Speaker, while I disagreed with much which was said opposite, there were really very few things which actually offended me, but I did, and I must say this frankly, find particularly offensive some of the remarks made yesterday evening by the Member for Brandon West. I don't want to say that I'm quoting word for word, but, in essence, in some passages of his speech last night, the Member for Brandon West spoke of the government putting its hands in their pockets and taking their money.

Madam Speaker, that kind of concept - and that's why I started out by saying there's a conceptual difference which divides that side from this - is not only social Darwinism at its worst, in the member's case, one could argue that it is perilously close to hypocrisy. I don't really want to personalize, but inadvertently the Member for Brandon West furnishes something of an example of a point I want to make.

Prior to his being elected, he earned a considerable portion, if not all of his income, as a government employee, i.e., he in fact was paid directly with the taxpayers' money, as all of us in this House are paid with the taxpayers' money, paid because we live in a social organization, not in the jungle, a social organization which, among other things, requires that we have a governed society, a society of laws and that we have government services in a whole number of significant areas, Madam Speaker, a society in which it is commonly agreed by most, but apparently not by

the Member for Brandon West, that the best way of paying for those services and for those government employees, of which the Member for Brandon West was one, is through the tax system. The best that we can do in those circumstances is to try to make that system as fair and as balanced, as equitable as possible.

To carry this point beyond the personal - because I said I didn't really want to personalize - the money which people receive, the incomes which people receive in this society, whether as wages, Madam Speaker, or profit, salary or dividends, is received in a great measure because there is an infrastructure of social services which makes that possible. You cannot conceive of being and continuing to be in business, of being an employee, of earning money in any way as a farmer, as a labourer, as an entrepreneur without the social infrastructure which society must create and support.

None of us therefore have the right to say, as the Member for Brandon says, this is my money; keep your hands off it; it's my money. This is a tax grab of our money. Each of us has a share of a social product. If you think about it for a moment, you will realize that is true. If you don't accept that, and some of you apparently don't, then you don't have any notion whatsoever of the economics of any society, no matter how that society labels itself.

Each one of us receives a certain share of a social product. It is not possible for us to live by ourselves. We do not earn our income, no matter from what source, by ourselves. We earn it. If we're a cattle auctioneer, because there are other people in that business producing cattle to be auctioned, when we can go down a road that somebody else builds and pays for, to a point of sale and we can make that sale, and we have a whole infrastructure to deal with the economies of that particular occupation, for example.

Madam Speaker, in the Throne Speech Debate and now in the Budget Debate, the members opposite demonstrated again, as they have in each one of the past five Sessions, why in fact they are in Opposition and destined to remain there, or their successors are destined to remain there. Because I have no doubt, most of my colleagues have no doubt, most of the members opposite have no doubt, that at least as far as the Leader of the Opposition is concerned, there will be a successor.

My colleague, the Minister of Industry, Trade and Technology unashamedly yesterday quoted Spiro Agnew, but John Crosbie had done so a few weeks ago when he spoke of them as the "nattering nabobs of negativism"; which in fact, leaving aside the alliteration, the cliché is true for most of them. Again, I say most of them, because there are those who genuinely make an effort to advance a constructive view of what should replace that which they disagree with in our view of things.

Congenitally, I suppose I should say philosophically, they're incapable of constructing a credible alternative. I'm going to go into that in a moment. First, however, a word about one of their central assumptions, namely, that they have the divine right to govern. Now, it's very difficult to assume that you have the divine right to govern if, in four out of the last five elections, you've been condemned by the electorate to sit over there as Opposition. So they have a profoundly myopic view, that in the last two elections, we stole the election from

them. You see, how can it be? If you have the divine right to govern, what has the divinity done to us? Well, it's not the divinity, we ought never to defame the divinity. It must be something else. It can't be our own wonderful political philosophy. They stole the election from us.

For example, the Member for Pembina, the prime carrier of the view that the election was stolen, he has this conspiracy theory, which he plays to fairly well, and sometimes - let's give credit where credit is due - he plays out that conspiracy theory very well, namely, that the books have been cooked, that we've hidden the facts, that we've delayed the reports and, but for that, they would be sitting here and we would be sitting there.

First of all, Madam Speaker, they would be sitting here and Manitoba would be in the wonderful position of Saskatchewan and Alberta and B.C., where all of those wonderful things that a Tory Government can do are now unfolding. Nonsense!

This, first of all, underestimates the intelligence of the Manitoba electorate by a country kilometre. This assumption that somehow or other, by some kind of a Machiavellian manipulation, the people can be fooled. I suppose they think that way because they operate that way is a debasing of the intelligence - I don't think you'll find debasing in Beauschiesne, Madam Speaker; if you do, I withdraw it - a degradation, a denigration - that's it - a denigration of the intelligence of the Manitoba electorate. They are there, they will continue to be there, and they have been there purely and simply because they are incapable of putting forward a credible alternative, nor can the Member for River Heights incidentally.

Incidentally, we should recall - my colleague, the Member for Transcona, the Minister of Energy and Mines, often reminds us of this - that wonderful legacy, which the great Liberal of our times, John Turner, left to us in the tax system when he indexed the personal exemptions. Madam Speaker, that indexing of the personal exemptions single-handedly accounts for virtually all of the current deficit, which is the preoccupation of the current government.

I know that the Member for River Heights is not madly in love with John Turner, but she's madly in love with liberalism and that's where this notion comes from. It's not Federal Government overspending, which has created the deficit, which is of concern to all. In fact, in many significant areas, there is not enough government spending with respect to agriculture. Let any one of them over there say that the Federal Government is spending too much on agriculture.

National day care is yet to be put on the agenda and paid for. Equalization payments are insufficient. Let them over there say that the equalization payments are enough. Established program funding is insufficient. So it's not Federal Government overspending which has created the deficit. It's the great contribution of the great Liberal, John Turner, when he was Minister of Finance. He didn't do much better when he was Minister of Justice.

Well, there ought to be a credible alternative. Let's look at the three major components: spending, taxation, deficit. Let's help them out, why don't we help them out, okay. Now they say, first of all, that we're overspending. Let's first of all note that the actual

increased spending in this Budget on programs is 5.7 percent, marginally above inflation; but, if you would take into account the 9.8 percent, for example, in health, 21 percent increase in child care, you will see that in those areas, which just in the natural growth will be spending more than inflation, the average increase in programs is at or slightly below the cost of living, so that we're dealing with a maintenance and, here and there, a slightly improved level of spending, okay.

But they want more. The Member for Arthur, why do you want more for agriculture? Have you and the Member for Virden put your heads -(Interjection)- 100 million, well that's \$50,000, okay. You can have the \$50,000.00. Do you want to spend it? Okay, we'll add the \$50,000 in at the end. I'll even add \$100,000 to give you one more cop. Okay. You want 100 million? How much do you want for agriculture - 100 million, 200 million? How much do you want for agriculture? Be brave, come on, be brave about it. How much do you want for agriculture? Okay, we'll put down 100 million. For highways, the Member for Morris wants to twin 75, right? Do you want 20 million? Okay, done. You've got \$120 million, 100 million more. How much more do they want for agriculture?

A MEMBER: Drainage 300 million.

HON. R. PENNER: 300 million for - I'll tell you what, let's make it a lump sum - 300 million for highways and drainage, 20 million more on education. Do you want more? The Member for Fort Garry wants more for the universities, more for the schools, another 20 million.

The Opposition critic for Health, the Member for River East, wants more for health - 50 million. They don't like the taxes, the hated levy. Okay, let's remove it, credible alternative, 185 million gone, okay. They don't like the increase in the sales tax. We don't love it either, but you apparently want to get rid of it, 1.85 million - gone. Okay, be brave, come on, accept these alternatives. We're helping you out; we're pointing you in specific directions.

Right, the deficit - last year, got to bring down the deficit, got to bring down the deficit, every single speech. So we bring it down, not much, we bring it down 26 percent, okay 26.7 percent, not enough. You want another 100 million, you've got another 100 million. Okay, now all you've got to resolve for us is \$600 million to \$700 million. That's all, okay? Now we're sitting here and we're waiting for your resolution of the \$600 million question. Okay, we'll get rid of all of these "apple polishers." Gone. Now, there's a contribution - right? And you will if the government, which you will never be, hire them as consultants at double the price. Right? We know your techniques. We'll get rid of the entire advertising budget, because there's no sense in government communicating anything to the people because, if the people know about government services, they're apt to take advantage of them.

Okay, so there's \$4 million. All you've got left to raise is 596 million. We'll give you, from your point of view, the so-called "apple polishers" and the advertising budget. All we ask is that, before the debate is through, you tell us where the \$596 million-plus is coming from. If you want to be a credible alternative, that's what

you've got to do. But you know, ÇÛ?ongenitally incapable, philosophically incapable of doing it.

Now - oh, I forgot! I forgot they're astute businesspersons, okay? None of "youse" guys has ever been on a board of directors, you know. I wonder how many directors they've got over there incidentally, as if that were a point. Maybe, because none of us have ever been on a board of directors - not quite true - that's why we're doing so good -(Interjection)- I'm coming to that. We've come to the conclusion, maybe you've come to the same conclusion, that membership on a board of directors doesn't necessarily qualify.

Let's hear it for the members of the board of the Canadian Commercial Bank, okay? What was his name, used to be Leader of the Opposition? Well, I won't mention the judge's name but you will remember who was a member of the board of the Canadian Commercial Bank at a time when it was doing those wonderful things that cost the taxpayers of Canada \$1 billion and more. Let's hear it for the Board of Directors.

Let's hear it for those people over there who say, as the Member for Riel said, why don't you listen to the businesspeople? Well, tell us. Apparently you are listening to the businesspeople and you're going to tell us how to come up with \$600 million - oh, excuse me, \$596 million.

Let's hear it from the wonderful members of the board of directors of the Northland Bank, friends of theirs, every damn one of them. Oh well, let's be fair. Wait a minute, why pick the losers? Let's hear it from and get the advice from those wonderful members of the board of directors of the banks which are gouging us in the interest-rate spreads on credit cards and in the interest-rate spreads in the past three or four years. Let's hear it for these wonderful people. Let's get our advice from those wonderful people. Member after member - not the Member for Emerson, he's a bit smarter, and not the Member for Morris, he's a bit smarter - but the others, those wonderful cowboys in the back bench, why don't you listen to businesspeople? God help us!

SOME HONOURABLE MEMBERS: Oh, oh!

HON. R. PENNER: Oh Helmut, you're okay. It's okay if you call them by their first name. You can't call them by their last name.

Madam Speaker, perhaps to be a credible alternative, if you don't really want to look at these paragons of commercial virtue, the members of the boards of these corporations which are gouging the people of Canada through the credit card scam and through the interest-rate spread scam, if you don't want to listen to them, perhaps you want to listen to your kissing cousins in B.C. and Alberta. My colleague has spoken about it at one point in question period today.

Perhaps you want to - let's see, we'll get rid of the levy, and what will we do? I know. We'll charge families health care premiums. Why don't we do that? That's better than charging the levy - oh my goodness, the hated levy, but the wonderful health care premiums, 432 up from 336 in Alberta per family and up to 504-a-year per family in British Columbia. There's the credible alternative of their kissing cousins. They can get up - I don't want to do them a disservice - and say, we wouldn't do that, not us. What would you do

though, you see? Come on, be brave, tell us. We want it on the record. You've got \$600, excuse me, \$596 million to raise approximately, more or less. You might quarrel and say, maybe it's only 500.00. What would you do? You cannot avoid that kind of responsibility.

Madam Speaker, just a few more words about the Budget, and then there are one or two other things that I want to reflect on in terms of . . .

MR. A. DRIEDGER: Judge appointments?

HON. R. PENNER: What was that, Albert? Say a word about that? Okay Albert, you want me to say something about that?

Madam Speaker, for the record, my position with respect to judicial appointments has been seriously misrepresented. For example, at page 206 of Hansard, the Member for Lakeside, after going on a bit about it, said, and I will quote: "They didn't like the political spectrum that Mr. Lyon came from, and that coming from an Attorney-General who acknowledges in his Chamber" - it should be this Chamber - "that he once was a member of the Communist Party, ran for the Communist Party. Is he suggesting that our judiciary all be of the same mindset?" Just say to the Member for Lakeside, who notionally is here because you can't pretend that he isn't, that he does me and himself a disservice.

You know, there was effective consultation with respect to appointments under Chretien, under MacGuigan and under Crosby. When MacGuigan was Minister of Justice and we formed the Family Division of the Court of Queen's Bench, there were five appointments to be made. I insisted - yes, I insisted, it's a matter of record - that at least one of those five be a person who was then a leading Tory from Dauphin, who had campaigned actively against our Minister of Highways. I insisted that he be appointed, because of the quality of that person. We were creating a unique division of the Court of Queen's Bench, and I said we want nothing but the very best and I number him among the very best.

Don't tell me about insisting that people who are appointed have a particular political label. The first full-time provincial judge who I appointed or recommended to my colleagues in the Province of Manitoba for appointment was a Tory, and the same for the First Minister, then the Attorney-General. Don't tell us about political appointments with respect to the judiciary. That is not the point.

In fact, for the record, Member for Arthur is a likeable enough chap - I'll say that for the record - and I would just want him to listen to this. With respect to the former Leader of the Opposition, the only thing I said about him personally was that he was capable and competent, the same words that were used by the Member for Lakeside. I said that I didn't think he should be appointed for other reasons, and the only point I made in particular was about this question of consultations.

So I'll say just two or three more words about that because - and I wouldn't have except for the Member for Sturgeon Creek said, what kind of nonsense is this? What right has anyone to be consulted by the Federal Government with respect to judicial appointments? Well, I just want to tell him, in fact, what right we have.

Incidentally, in Saskatchewan, when the Conservatives came to power they got into a slanging match with the Trudeau administration on judicial appointments, and they dug in their heels and they refused to allow any appointments to the Saskatchewan Court of Queen's Bench and Court of Appeal until they had straightened it out to their liking, the Tories against the Liberals. It was handled, incidentally, very unpleasantly. But what was the issue? It is true that, under Section 96 of the Constitution, the Federal Government has the right to appoint judges of Court of Appeal and Court of Queen's Bench. But under Section 92(14) of the same Constitution, the administration of justice, including the constitution of the courts, is our responsibility. That is, the feds cannot appoint to a Court of Queen's Bench if there's no Court of Queen's Bench. We have to set it up.

The example that I gave you, we were the ones, and we were the only ones, who could decide to increase the size of that court by five so that there could be five appointments made, right? The reason I'm saying this is although the feds pick up the salary, we pay the entire cost, \$3 million a year, to support that court. That's not our provincial court, just the federal courts, \$3 million a year, and just completing a \$20 million capital expenditure entirely devoted to the federally appointed judges. For that reason, the constitutional convention of consultation has grown up in this country and until recently has been followed and, in my view, it should continue to be followed.

Interestingly enough, the present Minister of Justice, with whom otherwise I have a very good relationship - we work cooperatively in a whole number of ways - we have been supportive, one of the other, in the constitutional issue involving aboriginal rights. He, the current Federal Minister of Justice, speaking in British Columbia at the Canadian Bar Association mid-winter meeting, said, "I'm going to get things better next time. I'm going to bring in some improvements." Well, there's an acknowledgement of the fact that he didn't get it right the first time. More than that, there's a vacancy on the Supreme Court of Canada. The appointment must come from the Province of Quebec.

What is he busily doing? He's there for press reports, consulting with the Liberal Attorney-General of the Province of Quebec, Herbert Marx. Now he's dealing with a Marxist there, you see? One of the Marx brothers. He's dealing with Herbert Marx. How do you like that? To deal with Herbert Marx when he can't deal with me.

The fact of the matter is that the only central issue I made there, and I make now, and I'm sorry that the Member for Sturgeon Creek - I don't think he speaks for everyone on that side - thinks that the provinces have no right to have any say in judicial appointments. We cannot and will not subscribe to that. I'm glad to see that the Federal Minister of Justice is moving away from his position that he took in terms of the appointment which became the subject of some comment in this House, and about which I would have said nothing if the Member for Lakeside hadn't made that ridiculous statement concerning me. I'm glad to see that he's moving off from his position and I think that may resolve the issue. I hope it does.

Madam Speaker, as I've said, I wanted to address a few remarks with respect to this Budget; to greet you, as I have, to welcome you back to the House, to

indicate to you that you will continue to enjoy my support. You will have noticed, no doubt, that I am one of the quietest members in this House, and always have been, but that's just my nature. It's sort of a pleasant and a passive kind of temperament.

Albert and I are very much alike, you know. At least on one side of my family we have a common heritage. We may be related, Albert. Did you ever think of that? You sure know how to hurt a guy, right? I'll tell you, I think Harry Enns and I are related -(Interjection)- to the Member for Lakeside. That's just on one side of my family, you know.

So, Madam Speaker, in closing my remarks, I want to just reiterate one specific point that I made which was central to all of my remarks. We approached this Budget from a philosophical point of view and, obviously, we then had to articulate it in very complex and difficult circumstances because we had to mesh whatever we were doing on the income tax side with the federal system. There is no doubt, and the Minister of Finance has agreed, that there are imperfections in the net tax, but we had to net into an existing system; and, as the Minister of Finance advised this House, the Federal Minister of Finance would not change the form to accommodate areas where we thought there should be accommodation.

We have been told by the Federal Minister of Finance that there will be federal tax reform. We'll believe it when we see it. And if there is real honest deep-going federal tax reform, then some of the anomalies that exist in our attempt to reform the tax system within limited provincial means will be accommodated, as I'm sure they will.

And, Madam Speaker, we are determined to maintain essential services in the area of health, in the area of education, and services to people in the area of income supports, in the area of economic stimulation, which accounts for that wonderful record which the Province of Manitoba has, and we're going to do it in a fair and balanced way, and I feel good about being able to stand up in this House and support that kind of a Budget.

MADAM SPEAKER: The Honourable Member for Arthur.

MR. J. DOWNEY: Thank you, Madam Speaker.

I rise to speak on the Budget and hope that I am able to get a few minutes on the actual content of it and the direction that they're taking this province fiscally; but the Attorney-General, some of his comments beg a response, and I guess it's either fortunate, or unfortunate, that I have the opportunity to follow him today.

My first comment, Madam Speaker, would be thank God - and I say this with all the sincerity in the world - thank God I'm one of those cowboys in the back bench; not a highly educated intellect who just gave one of the most repulsive speeches that I've ever heard come from a man who is supposed to be intelligent. I, for the life of me, Madam Speaker, would hate to be educated to that degree.-(Interjection)- Good speech, the Minister of Agriculture says. And for that highly educated individual, and I don't want to get into personal degradation, but I want to say that the people

of Manitoba are quite pleased to thank those country cowboys for stopping the ill-conceived direction that he was going to take us on the French language issue in this province and stuff down our throat a constitutional change which was opposed by 85 percent of the people of Manitoba, led by a man of high integrity who is now the Appeal Court Judge, Sterling Lyon, Madam Speaker.

That's the history of this province and I can tell you that I'd far sooner talk about the past of my good friend, the Honourable Sterling Lyon, who did not come from the communist background that this man came from and still, Madam Speaker, subscribes to, as admitted in this House. Yes, Madam Speaker.

And the Member for Swan River, whose parents came to this country, should have warned him. They may have left the feudal system of Russia, but not to come to this country to join, Madam Speaker, an individual who would take it away and give it to the state and never again be able to own land. That is one thing that he should pay attention to when he's joining political parties in this province.

MADAM SPEAKER: The Honourable Minister of Natural Resources on a point of order.

HON. L. HARAPIAK: On a point of order, Madam Speaker, let the records clearly show, unlike the statement made by the Member for Arthur, ill-informed, again as he is, my parents were born in Canada.

SPEAKER'S RULING

MADAM SPEAKER: A dispute over the facts is not a point of order.

MR. J. DOWNEY: -(Interjection)- Madam Speaker, as the Minister of Mines and Energy continues, he refers to me as a dumbo. That's fine; I can accept that; I don't have any problem with that. I don't have to degrade him; I never have. I never have, Madam Speaker. That's fine if he wants to play that kind of game.

And I do apologize to the Member for Swan River in not indicating that it was his grandparents, not his parents, who he referred to, and I apologize for that.

I, as well, want to make one further comment. By the way, the Attorney-General, Madam Speaker, was making light of some of the things and he was asking the Opposition to give him some ideas as to where the money would come from. Yes, he says, we'll give 50,000; it's 50,000 to the saving out of my constituency where they're taking the RCMP out of. Oh, we'll give them 100,000 so they can have another cop. You don't treat that kind of a matter that lightly when you come from a constituency that is losing the protection of RCMP that they've had for 50 years. You see they stand up in their place - the Premier stands up in his place, or last night he said from his seat that it's RCMP, that's one of the things we're spending money on. It was kind of a low blow, I thought.

The health and vitality of a community, the strength of a community and the protection of the people and the properties is part of that RCMP funding. That's part of the health of a community. That's the kind of

health I think he must talk about. Sure it's health of the body and health of the system that we expect to be treated with, but part of the health of a rural community, Madam Speaker, is the protection with RCMP that has been enjoyed in my constituency in those communities that are being stripped of it or asked to pay double for it by this New Democratic Government, led by this Premier and by this Attorney-General, Madam Speaker.

That's the kind of a constituency that I represent. That's part of the health and the vital services that I expect to maintain for those constituents, but according to him, that isn't; that doesn't come within the purview of the health of Manitoba or the health of my constituents. It seems you have to go to a hospital bed where you have to get some kind of doctor treatment.

Madam Speaker, I tell you this very plainly for the Premier to hear, that if he thinks he ever has a chance of swaying the people of southwest and western Manitoba to his political persuasion with his carrying on, he'll wait a long time.

I tell you something else, for the edification or for the information of my learned friend, again, with some kind of a degree that he's got . . . -(Interjection)- oh, that's right, a Rhodes scholar. There's something else - for the highly educated Attorney-General and for the lawyer, the Premier, who has difficulties writing out a will - there's one thing that some of us country cowboys learned, and that is to tell the truth, Madam Speaker.

What have we seen, Madam Speaker, in this Assembly over the past few days? What have we seen come from the current Minister of Municipal Affairs? And I have to raise the question with the Premier, Madam Speaker.

All the municipalities throughout Manitoba, can they now trust what's coming out of the Department of Municipal Affairs after what we have seen demonstrated, how he has handled the Public Insurance Corporation? Is that the kind of confidence that he expects to be carried through now to the other portion of his portfolio?

The public out there are asking questions - through you, Madam Speaker, to the Premier. It's not the Opposition that are now raising the questions as to "yes, the information has changed over a period of a week." No, it's not the Opposition only that are asking the question about the Minister's files happening to get through, and for the Attorney-General, the shredder, or you may say, if you're a country cowboy, through the hammer mill.

It's not the Opposition who are bringing he and his government into question over the MTX affair and now the Public Insurance Corporation affair. It's not just the Opposition. When will he realize that, Madam Speaker?

In fact, I would say if he is so confident in the Budget that we're now debating, and if he's so confident that he is right in covering up what is happening within the Public Insurance Corporation, then I would suggest he put the test to the public and call an election, Madam Speaker.

I would say I would challenge this government on the record of the Budget that they have just introduced on the biggest tax grab that this province has ever seen; on the MTX affair; on the \$30 million that went to Saudi Arabia; on the upwards of \$50 million exposure of our Public Insurance Corporation, with the former chairman of the board sitting as representative for Swan

River and who was, apparently, a part of this whole plan to cover up the facts that are supposed to have been disclosed to the public.

Yes, Madam Speaker, we have a Minister responsible, as a Minister of the Crown is supposed to be responsible, for the Public Insurance Corporation that has been and is under question, and still tries to maintain his responsibilities in a credible manner. It won't wash with the House, Madam Speaker, the Opposition, and it won't wash with the public.

That's why I'm saying to the Premier, if he thinks, if he truly believes that he is right in what he is doing and the Budget is right - (Interjection)- Yes, that's right. My colleague reminds me they have a 13 point lead in the polls. Then let's put the test to the people. Why wouldn't he put the test to the people? I challenge the Minister from Swan River to write an open public letter to his constituents saying he's asking his Premier to go to the people, that he now feels that he is able to come through and landslide that riding.

I want to give a little bit of history of what's happening, Madam Speaker, in the Swan River Valley. I was at an occasion up there where there were 500-and-some Conservatives at a gathering of which my leader was the guest speaker - the current sitting member, and will be the sitting member for some time, Mr. Brian White who is the M.P. for that area. There were 500-and-some Tories at a fund raising dinner not too many weeks ago; but about two weeks before that, Madam Speaker, the Honourable Member for Swan River had an occasion to meet in the same home. Well, they should have been asked to only pay 25 percent of the rent because they only had a quarter of the people there, Madam Speaker, and that's what's happening in the Swan River Valley.

Yes, Madam Speaker, the Minister feels he's doing a good thing by moving in a lot of his socialist friends from the outlying areas who will vote for him in the upcoming election. He's trying to stack it up so that he's got some support. I can indicate some programs and I will deal with that at a more appropriate time.

Well, my colleague, the Member for Morris, I think did an excellent job in asking some of the questions as to where we are going as a taxpayer in this province. Where are we headed? In fact, I made the same kind of comments last year during the Budget and projected where the taxpayers of Manitoba may in fact end up if we're to continue to see a half billion dollar annual deficit, if we're to see this same kind of runaway spending - and I'll deal with the Attorney-General and his irresponsible comments not too long ago about putting up some big figure that where would we tell them where they could get it from - but where are we going with the financial affairs of the province?

I say this. If they're looking for a constructive solution, Madam Speaker, I would hope they would listen. I said it before and I will say it again. My colleague has asked for a longer-term projection as to how we're going to deal with the debt that continues to grow. Are they prepared to put in a type of legislation that says that this Assembly will ask the taxpayers to put forward a certain percentage of the taxes they pay, be it payroll tax, be it sales tax, to start to retire the massive debts that are on the backs of our people? Are they prepared to do that?

Go through the debate of doing it once in the Legislature and let the political parties that will follow

tell the public that there are some responsible politicians who are prepared to put legislation in place that will commit a certain percentage of the taxes that come in to that debt retirement. I don't think it's an irresponsible recommendation. I think it is going to have to happen if we're going to deal with this amount of money that is being asked for by the governments of this country, by this particular irresponsible collection of incompetents, Madam Speaker, to give the public the assurance that it is being dealt with.

(Mr. Deputy Speaker in the Chair.)

Because we are now in a position, and I want you to pay careful attention, where five points on the sales tax raises how much money? - \$500 million. Is it \$100 million per point? Okay, approaching it but awfully close and we'll be there before long with the growth, and I projected last year at what point we would get. We're to take 10 percent on the sales tax to pay the carrying charges.

Let's use the figure of 4.5 points; 4.5 points today on every dollar that is spent on sales tax goes to carry the debt, to bring it into the terms of which the average person going to buy a pair of shoes or a suit of clothes or an overcoat or whatever it may be, whether it's an automobile, that 4.5 percentage points out of the sales tax goes to carry the debt. It doesn't buy one hospital bed or hire one nurse or pay one doctor or educate one child or do any of those things.

A MEMBER: Or build a road.

MR. J. DOWNEY: No, let's not talk about the physical expenditures; let's talk about people services. And he stands in his place and the Deputy Premier stands in her place and says it is her priority to take the taxpayers' money to spend it on people services. Well, then why don't they sincerely start to deal with it, Mr. Deputy Speaker? I plead with the government to come to grips with it, quit playing the quick political game that they've played over the last five years.

You bet your life that I'm not happy in Opposition. I'm not going to rest as long as I'm in Opposition till we do the responsible thing and change the people who are supposed to be - or who are responsible for the taxpayers' money.- (Interjection)- Well, it is my job, for the Member for Inkster, who adds to the lighter side of debate every time he stands, Mr. Deputy Speaker.

It is my job, as an elected official, to try and do the best for my constituents and all the people of Manitoba, and I say the best that I can do is to try and change the government. Because when you get 4.5 points out of the sales tax going to do nothing more than to pay the banks and pay the international finance companies for the carrying of our debt, then we are in an extremely serious situation, and I wish that they would come to grips with it. That's why I'm again recommending in this Budget Speech, as I did my last one, let us bring legislation forward that commits a certain percentage of the taxes paid by the people out there to go to retire our debt.

Let's debate it once and let's put it in place and let's tell the people of this province that, yes, there are some politicians who believe that there is a commitment to

get this thing under control. But at the rate we're going, Mr. Deputy Speaker, with this NDP administration in Manitoba, I'm afraid that the forest will have burnt down before the rain comes. That's what I'm afraid of. We're going to lose the forest before the rain comes.

I want to deal a little bit with another issue, which comes directly out of the Budget and I haven't had the opportunity to check as broadly as I'd like to, but let's deal with one specific aspect of this Budget and that is the new taxation that is now placed on hydro. You know, here we have the government standing up saying we're not going to implement any user fees on anybody for health. We're not going to introduce user fees for anything, but we'll put a tax on hydro. I ask you, Mr. Deputy Speaker, a 4.5 percent tax on hydro, the once-in-a-lifetime tax. Am I incorrect? I'm correct.-(Interjection)- Well, anyway the way I understand it, it's a one-and-a-half - with a 4.7 percent tax on hydro. It's a tax on hydro is what it is.

Tell me, Mr. Deputy Speaker, who in Manitoba doesn't use hydro? Who doesn't use hydro?

A MEMBER: Everybody uses hydro.

MR. J. DOWNEY: Everybody uses hydro, so it's an imposition on, yes, the children, the elderly, the people who are unable to make a reasonable living in our society. Those people who are below the level of income that he says that he's not hurting. Well, the Member for Inkster calls the Member for Arthur a fool from his seat. I'll tell you I would have expected better of him and now it's just proven why he does add to the lighter side of debate when he stands on his feet. It is my clear understanding that the users of hydro are being taxed in the Province of Manitoba by this administration.-(Interjection)- Well, they say it's not a tax. I maybe hit an area that I should refer to in my . . .

MR. D. SCOTT: . . . want it to be truthful.

MR. J. DOWNEY: Yes, Mr. Deputy Speaker, yes, it is a tax. It is a form of taxation, sure it is. The Minister of Energy says now it isn't. Well, one form of taxation or another, it is still taking from the users of hydro and everybody in Manitoba uses it.

MR. DEPUTY SPEAKER: . . . both sides of the House.

MR. J. DOWNEY: Mr. Deputy Speaker, but the point is that the people who are hiring employees at Simplot now lay them off, and what were the reasons? Because of the increase in hydro charges imposed upon them, as a form of taxation - if they're hung up on the words - but it's still a form of taxation.

Okay, I can tell you, I'll bet you and I asked the question - I would hope I could get the chance in question period, but I'll ask the Minister of Energy and Mines, seeing as he's sitting here. Are the people who they're selling the hydro to in the United States, do they pay the same levy as those people who are the users of it in Manitoba? I will ask that in an appropriate time during question period. But I would almost say, Mr. Deputy Speaker, that, yes, they are exempt from it; that it isn't on the export of hydro; that it's again

the burden on the backs of the taxpayers in Manitoba and it is not being charged to those people who are using our hydro outside of this province; again, a direct charge on the backs of those people who have to use hydro. I say whether they're young people, whether they're old people, whether they're low income, high income, it is again a direct tax. I take exception to the taxation of a major power structure that should be to the benefits of the people of Manitoba and not discouraging the use of it. That will do a lot to encourage people to come to Manitoba to use our hydro.

There's an area which the government continues to think that it's important to defend their Budget. Every time they go to defend what they do, they run and try to compare it with another jurisdiction. You know, it's an interesting concept. What they're doing is better than everybody else, but let's do some comparison. Again, the Member for Swan River yesterday rises in his place and tries to make a lot about the reduction of 40 percent spending in agriculture in Alberta. Well, I'm sure that will have an impact on agriculture in Alberta, but let's bring it into perspective.

Is the 40 percent reduction that they're going to go about in Alberta reducing the barley subsidy from \$20 a tonne that they feed to \$12 a tonne? In Manitoba, Mr. Deputy Speaker, there isn't such a subsidy to encourage the feeding of cattle or livestock in Manitoba. Is the reduction in the 40 percent for agriculture in Alberta going to increase the price of a litre of diesel fuel from the farm from 16 to 18 cents, where it's some double that in Manitoba, Mr. Deputy Speaker? Let's bring this thing into relative terms. If you're going to use Alberta figures, then use them fairly. Let's use them fairly.

Let's talk about Saskatchewan. You know, they make a lot about what's happening in Saskatchewan and the deficit. Do you know whose pockets a lot of that money went into? It went into the pockets of the farmers at \$25 an acre at 6 percent. Do you know where the money of the Manitoba taxpayers went into? It went to the sheik in Saudi Arabia. Yes, or it went into some former manager's pocket who had to golf in Montreal and run Manfor, Mr. Deputy Speaker. You know, it went into Flyer Bus at 100 million a crack, so we had to spend 2 million to get rid of it. Let's bring this whole thing into perspective. What are we talking about in this Budget for the farmers of Manitoba? I do give them one little bit of credit on moving on the education tax, because in principle it's the right thing to do, probably the only principled thing they have done. But you know who they got the principle from? The Tories. It was our election promise and our commitment, whether they did it or whether we got the chance to do it after they were turfed out of office, but it's our policy and I'm glad, and for the Attorney-General, I'm glad they took it. I'm glad they took the advice that they got from us, because my colleagues, not only the colleagues from rural Manitoba - I'm sorry, the country cowboys, as he refers to them . . .

A MEMBER: Who said that?

MR. J. DOWNEY: The Attorney-General, yes, the country cowboys, but it was the urban support that we had that I compliment as well. It wasn't a city/rural

thing. It was the genuine feeling of a Conservative group of people to do what was in the best interests of all Manitobans and take some of the education taxes off the farmers.

I compliment the government for picking up one suggestion that they have gotten. Too bad they wouldn't pick up more and have the Budget turned around so that the people could carry some of the weight.

My colleague from Virden did a good job in pointing out what the Federal Government is spending in agriculture, some \$534 million. And even if you used the figure that the Premier likes to play with, \$160 million, including all the MACC loans, and all those things that farmers have to pay back, like the Beef Stabilization Program and all those things, it still only comes to less than half. In a joint responsibility, it's kind of like horse and rabbit stew - one horse and one rabbit. That's the kind of 50-50 that this government believes in; but in this case it's the Federal Government that's putting up the horse and we know who's putting up the rabbit.

I won't elaborate any more on it, but I can tell you, and I ask the Minister of Agriculture this question and why he hasn't had his planted question asked: When does he expect the Federal Government to pay out the spring stabilization payout out of the Western Grain Stabilization Program? I think that would be an appropriate question. Well, he may be afraid of the answer, because I can tell you, from what I can understand, there will be another major, substantial payout out of the Western Grain Stabilization Program.

Mr. Deputy Speaker, it is not the kind of Stabilization Program that was put in place by the NDP because they put in a Beef Stabilization Program and say, well, it was ill-conceived - I say it was ill-conceived - but it will help the farmer today, but tomorrow we don't help and we'll take the money back. Sure, they've got to live up to the rules. My criticism is the way in which it was set up, ill-conceived to start with.

But what is the federal program? It is in legislation, how much each producer has to put in, and that's the way this government should start to deal, and I think farmers are going to demand that they deal. Put legislation in so they know the rules before you get into anything.

I think they've learned, for the second time, under the Beef Stabilization Program. You just can't trust a socialist. If they're pretending they are helping you, God help you, because in the end, I'll tell you, you won't be in business and that's the kind of programs we've seen.

I compliment the Federal Government. I don't stand here and condemn them. They write in their budget that, yes, there's a little bit less money coming. I gave them a raking over, over their non-support for Versatile, for the fact that we're losing Canada Packers and they've done very little - all spinoff of a depressed agricultural industry - and they stand and continue to give lip service that they're the great friends of the farm community.

Mr. Deputy Speaker, tell those 850 employees at Canada Packers that are now being laid off that the reason they're being laid off is because of the Federal Government. The reason they're being laid off is there aren't enough livestock being produced in this province to have slaughtered at the Canada Packers plant, and

if there were, they wouldn't have to close it. That's how simple it is for those people over there who have a hard time understanding what the country boys from the back think about. That's exactly the problem. I haven't got the kind of a high degree that all those smart people that have gotten us in so much trouble have.

A MEMBER: You're not a Rhodes Scholar, Jim.

MR. J. DOWNEY: That's right. I'm sorry that I'm not; I would have liked to have had the opportunity to go to someplace to get a Rhodes Scholar.

I do know, as I said earlier, Mr. Deputy Speaker, one thing that we were taught on this side is how to tell the truth and that you don't need to learn going through for a Rhodes Scholar.

I want to deal a little more specifically with the concern that I have dealing with the priorities of this government. It's all right to stand in his place and to let on that they're dealing with the priorities - not the priorities - but the essential services that the public need.

Could you tell me how much time there is left?

MR. DEPUTY SPEAKER: Twelve minutes.

MR. J. DOWNEY: Thank you, Mr. Deputy Speaker.

Let's spend a little bit more time on where we're headed because that's the important part of what the taxpayers want to hear coming from this Chamber. I think that the Minister of Finance demonstrated today how the Budget is starting to impact on him and his Cabinet. He was somewhat testy today when my colleague from Morris started to put a little bit of a question to him as to what his plans were in the longer term, that it was quite all right that the Federal Government again was charging excessive amounts of income tax, but what he was doing was quite okay.

I can tell you, he may be able to stand in his place and try to have that wash, but let's look at what's going to happen in Manitoba over the next few weeks and months. The public are going to be faced with, yes, on the 4th of May, I believe it is, another increase in their sales tax. One more percentage in the sales tax, or \$102 million as they've indicated.

Do you think by that time the impact of this Budget is going to be forgotten by the taxpayers of Manitoba? No, Mr. Deputy Speaker. I can't understand why he thinks that this is going to be a passing thing, that everything he's done when he stands in here and says that it's all okay, that it's quite okay and things will get better, particularly when they know that they're not going to get one more service from this government.

When you look at the closure of hospital beds, whether it's in Health Sciences Centre, whether it's in the Brandon General Hospital, the people know that that one point on their sales tax is not going to get them another hospital bed and, in fact, it is costing them hospital beds, the way in which the policies of this government are going.

Let us look at the new tax on land transfer tax. Yes, I'm pleased that the Minister of Agriculture stands in his place and says that it doesn't apply to the farm community. I tell you, who right now is transferring farm land? If he depended on it to raise any revenue to start

with, there wouldn't be any coming from it anyway, so he's really giving a lot, isn't he? Tell me who is out buying farms so that they'd have to pay tax on it? There may be a few.

When I'm on that subject, Mr. Deputy Speaker, I want to deal with another one of the thrusts, and this is an appropriate time to do it, that we have the Minister of Agriculture making a big chap of himself for the farm community and the rest of society, and I'll turn to the appropriate page in the Budget because it's important to note just what he really is doing and the rhetoric that he's trying to sell the public of Manitoba.

Here we have - now I want to read - I'll quote directly from Page H, third, and this is for farmers in severe financial distress and where potential viability exists, the Manitoba farmers' long-term lease arrangements with an option to repurchase their farm. "This initiative, which I hope will be followed by other private and public financial institutions, will improve the cash flow of farmers and assist many others to continue farming."

Well, Mr. Deputy Speaker, the question has to be raised: Is he going to change the farm land ownership back so that those institutions can own the land? How ridiculous. There's legislation put on the books of this Legislature which prohibits those same people he's now saying should own the land, lease it back, because he believes that it is right and he is doing it under MACC. I ask him the question: Will he repeal The Farm Land Ownership Act so that they can in fact do it, so that they can own the land and lease it back? That's the question. He makes a lot to do about a major thrust. Yet, there's legislation on the books that won't allow the banks or the financial organizations or institutions to do it. How foolish is he, Mr. Deputy Speaker? What does he think he is trying to sell us? What does he think he is trying to sell the farm community? And I ask him the other question: Is there any need to carry on with the bureaucracy in the land ownership portion of his Estimates? What do we need it for now? Do we need, yes, one of his political hacks who he circumvented the hiring of through the Civil Service? He could now lay them off.

MR. DEPUTY SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: I rise on a point of order.

Mr. Deputy Speaker, the Honourable Member for Arthur made certain allegations that certain actions were taken contrary to The Civil Service Act. I ask the member to produce that information. If he does not or has no information, let him withdraw those insinuations, Mr. Deputy Speaker. I ask the member to withdraw.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. DEPUTY SPEAKER: That's more of an accusation against public duty.

The Honourable Member for Arthur.

MR. J. DOWNEY: Mr. Deputy Speaker, I didn't quite hear whether you were asking me to further put on the record something that isn't required in debate of this kind, because I have no intentions of withdrawing

anything. I'll indicate it and I'll indicate it again, that the Chairman of the Farm Land Ownership Board was hired by this government without going through the normal Civil Service hiring practice. And I'll say it again and again and again.

HON. B. URUSKI: Mr. Deputy Speaker, the honourable member made an accusation that normal hiring practices were not adhered to under The Civil Service Commission Act in the position of the Director of the Farm Land Ownership Board. If the honourable member is making that allegation, Mr. Deputy Speaker, I want him to substantiate it or to withdraw that allegation. It is totally unfounded.

MR. DEPUTY SPEAKER: The Member for Arthur on the same point.

MR. J. DOWNEY: Mr. Deputy Speaker, I would ask the same thing of the Minister as he's asking me, and I'm on a point of order, that he proved that he didn't hire him without going through the normal Civil Service practice.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. DEPUTY SPEAKER: There is no point of order. It's more a dispute about facts.

MR. J. DOWNEY: Thank you, Mr. Deputy Speaker.

I do, in all sincerity, ask the Minister of Agriculture if he's, in fact, going to repeal The Farm Lands Ownership Act which is really - who is coming to Canada? Who's coming to Manitoba to buy farm land with the economic circumstances the way they are? We've got land at half or a third of the price that it was. I think there are farmers out there who might welcome some people with money to help them out of the situation that they are in. Maybe the Minister should look at a positive move and remove, repeal The Farm Land Ownership Act. He would, in fact, save the department some money and, as I said, be able to save his department some money and the taxpayers some money. I think there are many areas within his department that he could use money in a more responsible way.

Well, Mr. Deputy Speaker, I want to come back again to the other areas that I was talking about, and the tax increases. We have again the bite put on the individuals who are - yes, and we all agree that there is an area to keep taxing and that's in the area of alcohol and cigarettes. I have no difficulty with that.

But I have a little difficulty when we talk about alcohol because, let's remember, if you reduce the number of people who are drinking and you're taking again away from an agriculturally produced commodity, not that I'm an advocate of using it, but it is based on an agriculturally produced product. Probably the best paying crop in Manitoba this last year was malt and barley. Thank goodness for malt and barley. I stand here, and many of my colleagues will confirm what I'm saying, that it's probably the best paying cash crop out there. But again, we don't want to fully discourage the use of a product that is derived from a product.

I conclude my remarks, Mr. Deputy Speaker. You indicate I have about two minutes left? One minute? Time flies when you are having fun, doesn't it?

I conclude my remarks today by saying to the Premier that he could take some taxes off the people of Manitoba if he would quit wasting the taxpayers money through MTX; through Crown corporations such as Flyer, which he has now eliminated but at a cost of \$100 million; the whole ManFor expenditure. Now we're in to Public Insurance Corporation losses which could well cost the users of the Public Insurance Corporation millions of dollars. He could well, Mr. Deputy Speaker, take a look at every department a lot closer than he is looking to make sure that the maximum efficiency is coming out at lower cost to the people of Manitoba. There are many areas of efficiency that I'm sure could be improved, the operation of this government, particularly when have seen the kind of waste and mismanagement that has been carried on without control.

Thank you, Mr. Deputy Speaker.

MR. DEPUTY SPEAKER: The Honourable Member for Elmwood.

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

I am very pleased once again to take the opportunity to participate in the Budget Speech Debate, and especially to bring to the attention of Manitobans the self-righteous sanctimony, the double standards and the inconsistencies that arise whenever members opposite speak.

I also wanted to reinforce the speech of the Attorney-General this afternoon and the Member for Rossmere last night, two excellent speeches.

Today, Mr. Deputy Speaker, I intend to highlight two themes throughout my speech. First, I intend to outline this government's commitment to stand up for Manitobans, as demonstrated by the fairness and justice of the Budget that the Finance Minister has recently delivered, a Budget which is indeed commendable. Second, I will outline some of the empty commitments made by the Provincial Tory Party to demonstrate once again to Manitobans where their priorities are.

In the Winnipeg Sun, February 24, 1986, under the headline, "Programs for People," I quote the Honourable Leader of the Opposition. "Filmon said that his government will not only protect the basic programs but will add to an extra \$180 million a year. Filmon has already promised to scrap the \$116 million a year payroll tax on businesses and pass a \$20 million in Autopac premium rebates to motorists." So the total tab for the Tory promises would be \$316 million a year. These were the promises made by the Leader of the Opposition in last year's election campaign. "Premier Howard Pawley's ten promises will cost about 25 million, which is a small fraction of the totals promised by the Leader of the Opposition."

"Yesterday, Filmon argued his promise to spend money on basic human services won't increase the government deficit. In fact, he said he'll reduce the deficit."

That reminds me of a comment made by one George Bush a few years ago when he called Ronald Reagan's economic proposals "voodoo economics." This guy must walk on water if he's able to promise things like that and could make these things come true.

In a second article entitled, "Time may be wrong for Filmon's election strategy," and of course, as it turned out, the headline was very correct, Arlene Billinkoff also says, and I quote: "The policy packages sounded frighteningly expensive, and the additional expenditure of more than \$250 million appeared to wreak havoc with the Tory pledge to lower the provincial deficit, but Filmon maintained this approach was essential because it gave Manitobans a clear direction for social progress and economic renewal. By calling for more spending, it not only accentuated the progressive aspect of the party, but also created an atmosphere more conducive to economic stimulation. As for the pledge to lower the provincial deficit, he admitted that it might take a term or two to do."

These were two very interesting articles and there were more like it during the election campaign just a year ago, but certainly the story has changed. Immediately following the election, we heard a whole litany of speeches from across the way wanting us to cut back here, cut back there, and attempt to balance the Budget.

This Budget, Mr. Deputy Speaker, is an excellent opportunity to see that this government's philosophical bent is reflected in its continued commitment to the fundamental principles of fairness and justice for all people in this province, as evidenced by the priorities that it has said it will meet. The commitment and priorities of this government mean delivering programs and services to all Manitobans, especially those who need the most, and ensuring that all those who pay taxes are those who can most afford to. During these difficult times of fiscal restraint, this government has chosen not to make drastic cutbacks. This in fact is what Manitobans told this government they wanted, even if it meant some increases in taxes. The NDP Government of Manitoba listens, Mr. Deputy Speaker, and it has now responded accordingly.

Even the Leader of the Opposition has endorsed the net income tax, and again I'd like to quote from an article in the Sun, December 14 of 1986, where the Leader of the Opposition says, and I quote: "Tory Leader, Gary Filmon, said that the proposal to tax net income is a laudable goal. It works towards getting those who benefit the most paying their share." He also said later on: "'The tax increases are inevitable,' Filmon agreed." That isn't exactly what he was saying a week ago. I don't recall him talking about the net income tax being a necessary and good thing, but he certainly did say that December 14, 1986. That was the Leader of the Opposition, a drastic change.

Mr. Deputy Speaker, this government is both responsive and responsible to the people of Manitoba, and I'm deeply troubled to think of the unfortunate situation the people of this province would be facing under a Conservative Government like the ones that exist in Saskatchewan or in Alberta. Conservative Governments are, generally speaking, committed to a neo-Conservative philosophy which has oft been described as the newest scheme by the rich to skin the poor: less intervention in the economy, deregulation, deficit reduction, privatization, cutting back on government services are just some of the buzzwords of the neo-Conservatives.

I'm sure, Mr. Deputy Speaker, that many members opposite subscribe to these philosophical positions. Mr.

Deputy Speaker, one of these born-again Tories is the Member for Pembina, and I'd like to quote again from the Winnipeg Sun, an article of January 3, 1986, when the Member for Pembina says and I quote, it says: "He will scrap Manitoba's \$210 million Jobs Fund and balance the province's \$7.2 billion deficit in about five or six years. Schroeder noted that the Tories voted for the money appropriation of the Jobs Fund, which Orchard kept calling yesterday, 'a Fraud Fund.' Orchard admitted he voted for the Fraud Fund because of caucus solidarity, 'But if I have my way, I'll scrap it.'"

Now are these the ravings of a serious leadership contender?

A MEMBER: No, they're just ravings.

MR. J. MALOWAY: Just ravings.

Of course, certainly he would be a believer in the trickle-down theory of economics, and that is what we're trying to determine as to where the Conservative Party is going. You have one group who wants to spend, spend, spend, particularly when you have elections, and then you have the other group - and I think that's the majority of them, probably the same people - who want to cut, cut, cut once they get into government.

With this in mind, Mr. Deputy Speaker, I have no reservation in saying that Manitobans would be much worse off under a Tory Government. The people of this province could see through the Tories' approach of taking back with one hand what they offered with the other. They wanted none of this, and Manitobans therefore re-elected this NDP Government.

The Opposition, Mr. Deputy Speaker, has the audacity to charge that this government did not listen to Manitobans in the course of preparing the Budget, but we know that it did. What we also know is who the Tories would have listened to. They would have listened to big business; they would have listened to the banks and other vested interests.

In fact, I'd like to take a moment at the list of contributions that the Canadian banks have made in the last couple of years to both the Conservatives federally and the Liberals. As a group now, the Royal Bank, the Bank of Montreal, the Toronto-Dominion Bank, the Imperial Bank, the Nova Scotia Bank contributed, in 1983, \$30,000 to the Liberals. They contributed \$30,000 each to the Conservatives. It's kind of interesting that each of these banks would have contributed exactly the same amount. Why do we not see figures like 20,000 to one and 25,000 to another? But it's curious that these five independent, competitive institutions would miraculously contribute exactly the same amount of money each to the Liberal Party and each to the Conservative Party.

Then, Mr. Deputy Speaker, we go on to 1984 and, in 1984, the contributions went up, and they went up substantially. This year, the Royal Bank and the Bank of Montreal contributed 75,000 to the Liberals. It went up substantially - (Interjection) - election year, that's right. Of course, the Conservatives, what did they get? Exactly the same, \$75,000.00. They were hedging their bets that year. The remaining banks, the Toronto-Dominion, the Nova Scotia and the Imperial Bank, the sums were \$70,000 to the Liberals - all three the same - and to the Conservatives, \$70,000, very interesting figures. - (Interjection) - No, the NDP didn't get anything.

Now in 1985, the last year that we have figures for, the banks dropped back down to their previous level. Well not quite, Mr. Deputy Speaker, they gave \$35,000 each to the Conservatives and they gave \$35,000 each to the Liberals that year. So again, we can see that's fairly good evidence as to who the Conservatives would be going to for their Budget inputs and their Budget discussions. Mr. Deputy Speaker, the neo-Conservative approach is all wrong.

Measures outlined in the Budget Speech demonstrate what this government is doing, and it is in stark contrast to the approach members opposite often boast that they would pursue; that is, if they were given the chance again, except for when they come up to elections. When they come up to elections, the tune changes; it's a totally different song that they sing. We're all familiar with that; we've been seeing it for the last 100 years.

A MEMBER: But once they get to the Budget Debate, and even in Estimates, they change their song . . .

MR. J. MALOWAY: That's right. Of course, in Manitoba historically, because people remember that, they don't give them the chance as evidenced by the fact that four out of the last five elections they've been rejected. Now, when they should be ascending in the polls, what are they doing? They're falling like an anvil. They're 32 percent in the last polls. It's about a point and a quarter apiece over there.

"In the face of inadequate federal support for health, post-secondary education and equalization, which has fallen behind programs' needs, this government remains steadfast in its commitment to the priorities it set. Another factor contributing to the inadequate revenue the Provincial Government is faced to work with is that some individuals and companies have not been paying their fair share in taxes. This Budget redresses these inequities and works toward ensuring that all Manitobans benefit in the economic progress that we are making."

It's very encouraging but not surprising, given the leadership of the NDP Government, that Manitoba is the province with the highest projected economic growth well into the next decade in addition to the lowest unemployment rate. The policies of this government, Mr. Deputy Speaker, are working and they're working very well.

With that in mind, I would like to quote from a rather up-beat article in the Globe and Mail, which is Canada's business magazine, and this article, Mr. Deputy Speaker, came out March 19, 1987. It's entitled, "Manitoba's Fortunes," and I thought I might enlighten the members opposite as to the contents of that article because I thought perhaps they would certainly welcome the contents.

The article starts by saying that the province with the lowest unemployment rate and the highest projected economic growth through 1995 lies in Central Canada. Its name is Manitoba. Only 6.7 percent of Manitoba's labour force was unemployed in February, compared with 6.8 percent in Ontario, 10.9 percent in Alberta, and 13 percent in British Columbia. Last year, employment in Manitoba grew by 2.1 percent, compared with the national average of 1.6 percent. Employment in Alberta fell by 3 percent during that period.

(Madam Speaker in the Chair.)

The Royal Bank of Canada, the same Royal Bank of Canada that contributed all that money to the Conservative coffers in the past three years, the Royal Bank of Canada says in its latest outlook that Manitoba will lead all provinces in economic growth through 1995 - so we know where the Royal Bank wants to put their money in - with an average annual rate of 3.3 percent, followed by Ontario with 3.2 percent, and Quebec with 3.1 percent. If not quite the "Cinderella" of Canadian provinces, Manitoba is looking pretty good.

Now they go on and they say that Mr. Pawley now enjoys a pleasant 13 point lead over the dour Conservative Opposition - and I can see why they would be so - and seems to hold the big bills in political currency. Though agriculture is grieving and some firms in Manitoba's well-diversified economy are troubled, the province has considerable momentum and more excitement - and they go on - and more excitement has been created by an agreement to sell 550 megawatts of power to the Upper Mississippi power group over 16 years, which may accelerate another large Hydro project just downstream from Limestone at Conawapa.

Well, that must make the Opposition, bring them right to tears when they hear projections like that, because that means that if these projects come to fruition, they'll be sitting back there for yet another four years. I can't see them being very happy with that prospect.

Mega projects were the rage in Canada during the 1970's; now only Manitoba is building them. - (Interjection) - Well, it's the Globe and Mail, the business magazine.

They go on to say that this week's Manitoba Budget also demonstrated political entrepreneurship by jumping out ahead of the federal Tories in tax reform. There is unfairness in the federal system because of the proliferation of exemptions and credits, said Manitoba Finance Minister Eugene Kostyra, so Manitoba imposed a 2 percent flat tax on net income, including capital gains and added a surtax to large corporations.

Madam Speaker, this government will continue to work in partnership with business and labour to maintain our economic vitality. This partnership is working and it is indeed fruitful because more Manitobans are working now than in any time in our history. In the past year alone, Madam Speaker, 13,000 new jobs were created, a record which has not been matched since 1974, and equalled only four times in the last 25 years.

This Budget provides for the \$10 million Jobs Training for Tomorrow Program, and the Manitoba Jobs Fund continues for the fifth straight year, measures that will put even more Manitobans back to work.

In recent years, Manitoba has had higher levels of public and private investment and construction activity which has created many employment opportunities. Limestone, North Portage Development and numerous housing starts, to name a few, all create jobs.

As members opposite well know, small business is the generator of many jobs. This government's commitment to small business is reflected in the Budget by the \$5 million Manitoba Small Business Growth Fund, as well as the \$10 million Business Bond Issue, and as well by the exemptions for small businesses under

the province's health and post-secondary education levy. The former measures will ensure adequate financing for small businesses to get started and expand, while the latter removes 3,700 small businesses from the levy rolls entirely while reducing the effective rate for some others.

Another important area which needs the attention of the government is agriculture. Madam Speaker, this government has listened to the agricultural sector, the backbone of our rural communities, and has responded accordingly to the demands of the farmers. Difficulties in the agricultural sector reverberate negatively on Manitoba's economic life because when the farm community suffers, we all share in the suffering.

Our grain farmers are confronted by depressed prices. Their livelihoods and viability of their farms are threatened by national and international forces beyond their control. Furthermore, the tragic fallout from the record-high interest rate policy of the early 1980's still afflicts many of our livestock and dairy farmers.

This New Democratic Party Government has always made support for our farm community a top priority, and our 1987 Budget reinforces this commitment. In addition to the continuing support now afforded the agricultural sector, the current Budget increases this government's support for agriculture by 14.3 million or 20 percent, to a total of \$84.7 million, the largest percentage increase for any department this year, and, in fact, more than twice the amount budgeted by the Conservative Government in its last year in office in 1981.

It's no secret, Madam Speaker, that the number of elderly citizens is growing in Manitoba, as it is in the rest of the country, and surely a trend which is not confined to Canada alone. Senior citizens deserve the highest possible standards of health care and other social services. There are, however, many people between 55 and the pension age that also require similar assistance. Accordingly, this government has designed new initiatives to assist many of Manitoba's needy, elderly citizens.

This government's philosophical commitment to ensure that people living on lower incomes enjoy an adequate standard of living was again reflected in the 1987 Budget. The increased Cost of Living Tax Credit Program will provide benefits for those on low and moderate incomes. The new employability enhancement for Social Assistance Recipients Agreement will provide training and employment opportunities for those receiving social assistance.

The Job Training for Tomorrow Program will provide on-the-job training for unemployed Manitobans, those who need it most. Increased provincial funding will make more child care assistance available to single parents in lower-income families.

The importance that the NDP Government attaches to the universality of social programs is reflected in its priority to protect the extensive range of public programs available to all Manitobans. Even in the face of lower transfer payments by the Federal Government, by the Federal Tory Government, for basic services to Manitoba, this government has increased health care spending by \$118 million.

This government continues to ensure that high quality, affordable housing is available to Manitoba families. More housing is currently under construction and rents

continue to remain among the most affordable in Canada.

Increases in provincial support for education since 1981 have more than kept up with inflation, even though federal transfer payments have increasingly been reduced.

The 1987 Budget contains an increase of nearly 6 percent in education spending, an enviable amount compared to other jurisdictions in this country. And again, I'm sure the honourable members opposite really do not like having their attention drawn to good, old Tory Alberta, where in fact the spending on education was decreased 3 percent in the recent budget.

There will be a \$26.5 million increase in support for elementary and secondary education. Grants to universities have been increased to nearly \$175 million. The Manitoba Fund for University Development, which is a new five-year, \$20 million fund, to complement fund raising efforts by universities has also been initiated.

This Budget also proposes an additional \$5 million, a 21-percent increase for child care for Manitobans. The provision, Madam Speaker, of this vast array of social and economic programs is indeed a very costly proposition, something that Manitobans, Madam Speaker, understand very well. In fact, nearly 70 percent of provincial spending is for health, education and social services.

Inevitably, taxes had to be increased. What is important and what I must emphasize, Madam Speaker, is the just and equitable manner in which this government's tax increases were implemented. There have been tax reductions and benefits for those who need them most: the farmers, the elderly, individuals on lower incomes, and some small businesses. Those in higher incomes and larger corporations will pay their fair share, so that all Manitobans benefit from the social and economic services provided by this government.

I am particularly pleased that this NDP Government took the political initiative to leap ahead of the federal Tories in the tax reform area. Because of the unfairness in the federal tax system, and because of the proliferation of exemptions and credits that benefit the well-to-do, this Finance Minister has imposed a 2 percent flat tax on net income. As I had indicated, this was endorsed by the Member for Tuxedo in that article that I quoted earlier, including capital gains and a surtax to large corporations.

Again, Madam Speaker, an NDP Government has been first to take such initiative and you can be sure that other governments will soon follow suit.

What I have done, Madam Speaker, is outlined many of the significant measures contained in the 1987 Budget, measures that are fair and just and indicate a consistent approach by this government. The program I have outlined, I might add, is characteristic of the philosophy of an NDP Government, the one that is in sharp contrast to any scheme a Tory Government could come up with.

And again, what would the Conservatives come up with once they were in government? Again, selling Crowns is not a big vote-getter so you wouldn't hear much in an election campaign about doing that. But give them the chance, give them the chance in government, and they would be doing what Vander Zalm is doing in B.C.; they would be doing what Thatcher is doing in England; what Mulroney is attempting to

do with the Federal Government, and they would be trying to sell, wherever possible, money-making Crown corporations.

We have a history of that. Sterling Lyon, what did he try to sell? He tried to sell a lot of things. But one of the things he tried to do was entice Alcan Aluminium here with a promise of what . . .

A MEMBER: Free power.

MR. J. MALOWAY: An interest - yes, basically free power. He was going to give them equity in part of a power plant. That is the kind of thinking that these people are involved in. To take it to its logical conclusion you could, if they were the government, I think they would be looking at - particularly the Member for Pembina for sure - as they are in England, trying to sell the airports. Toll roads, you know, let's get back to the good old days. You have places in the United States where they still have toll roads, and in Europe you have places where they have toll roads. These are the gold old days that the Conservatives are longing for and would like to have.

At the outset of my speech, I highlighted what is commonly referred to as a neo-Conservative approach and I like to call it, of course, the born-again Conservative approach, that the provincial Tories opposite and others of their ilk are sympathetic towards. But, Madam Speaker, how does one reconcile its approach with the promises made by the Leader of the Opposition? During the last election again, the Leader of the Opposition was talking about protecting things; he was talking about enhancing things; and he was talking about spending money. That was his whole campaign was spend, spend, spend.

In another article that I referred to earlier, he had promised to spend \$180 million for health, education and social programs. Where were his references to that in his Budget Speech this year? I never heard him refer to how nice it is to spend money on these programs or to enhance these programs. I believe, Madam Speaker, that the extra -(Interjection)- Most importantly, Madam Speaker, I pointed out that the Leader of the Opposition's nonsensical economic approach - and that's what it is - of increasing spending by \$130 million for health, education and social services without raising taxes or the deficit.

I presume that the Leader of the Opposition speaks for his party when on one occasion he calls for an increase in spending from one side of his mouth, and cutbacks, controlling spending and deficit reduction on the other. Or, Madam Speaker, is that what one side of the party states and the other side contradicts? I wanted to make a comment about the Member for Lakeside. Again I have an article here, the Winnipeg Free Press, March 5, in which the Member for Lakeside, and this is under the headline: "Is provincial takeover of ICG labelled dream by Enns?" The Member for Lakeside says and I quote: "That leaves the province with only one option, nationalization of ICG."

I wonder what the Member for Pembina, the Member for Sturgeon Creek, and the Member for Morris had to say when they read that article. I can imagine that there was a lot of heat in the room. He says, frankly, takeover is a sensible option, but it would cost \$500

million or more. The province doesn't have the means for that at this time, but I assume he's hopeful that we'll find the money, and I can assure him that I will certainly help him come up with the money.

He goes on to say further that Enns said his party would set up the Manitoba Telephone System in 1908. (sic) Again, this is the same party that wants to sell things in 1987 is not opposed to a Crown corporation handling gas distribution in the province. That's interesting. I didn't know that the Conservatives were not opposed to a Crown corporation handling gas distribution in the province. There's obviously some difference of opinion among the front benchers over there on this issue, but the province just doesn't have the means now.

He goes on to say Parasiuk said that his government believes natural gas prices in Manitoba can be brought down by about one-half in the wake of the Accord which deregulated gas prices in the country as of November 1. "Ending ICG's monopoly will save millions of dollars for Manitoba customers," Parasiuk said.

"It's a big issue," Enns said. "I'm going to raise it every week." Now a few weeks have gone by and I haven't heard the honourable member raise it again but I'm hoping that he'll reread his article and get back to his promise here of raising the issue every week.

"Mind you," he says, "I want to protect our gas customers and frankly takeover is the sensible option." I think the Member for Lakeside is on the right track. I want to applaud him, but I would like to sit in on their caucus meetings after that to hear how this was resolved. In view of the fact I suppose that there'll be a convention coming up in the next month for the Conservatives and possibly a leadership convention, I would imagine that the public will have a full airing of where the Conservatives stand on these issues as to whether they're in favour of nationalizing the gas company versus selling off other Crown corporations.

Madam Speaker, the 1987 Budget debate has allowed me to highlight some of the significant new measures that will benefit my constituents in Elmwood, indeed all Manitobans, particularly those who need help most. I have also contrasted this government's approach with the neo-Conservative approach that members opposite view favourably.

Madam Speaker, I know the people of Manitoba know, and now the members opposite know that this government's approach is the right one.

Thank you.

MADAM SPEAKER: The Honourable Member for Roblin-Russell.

MR. L. DERKACH: Thank you, Madam Speaker, and members of the Legislature.

(Mr. Deputy Speaker in the Chair.)

I am pleased to rise this afternoon to speak to the Budget Speech and of course I have to say that I cannot support the Budget Address that was given by the Minister on Monday night. How can any red-blooded Manitoban support a Budget which asks 80 percent of working Manitobans to dig deeper into their pockets to support the lust of a government on spending money on itself?

But, before I get into the specifics of the Budget Address, Mr. Deputy Speaker, I'd like to make a passing comment on some remarks that were made by the Member for Kildonan when he addressed the Budget Speech. Mr. Deputy Speaker, in his comments the Member for Kildonan totally misrepresented a conversation that was held between himself and myself on our way to our vehicles in the parking lot. Not only did he do that, but even in his address, Mr. Deputy Speaker, he said he could not remember the remarks that were made, so then he proceeded to misquote something that he had conjured up in his mind and I ask where is the credibility of this member? Certainly, it has slipped a few notches when he can make remarks in the House of that nature and get away with them.

Then he went on further, Mr. Deputy Speaker, to talk about the content of our conversation. Then he said he did not believe in the dirty little war of the United States and he came to Canada willingly. No one suggested that he didn't come to Canada willingly. But I guess I can only leave this matter by saying where would this member be now if he were asked to defend the Queen and country in some dirty little war that Canada was involved in because I don't know of any clean wars, Mr. Deputy Speaker?

Now, Mr. Deputy Speaker, I'd like to get to the issue at hand and that is the Budget. We have heard many speeches on the other side of the House with regard to the Budget Address, Mr. Deputy Speaker, and you'd almost think that it was our Budget Speech and that we were government because speaker after speaker they get up and they attack us. Yet, we are not responsible for the mess that has been created by this government. We are not responsible for that irresponsible Budget that has been presented. So certainly, exemplified by members who have stood up and spoken to the Budget is the fact that even they lack confidence in what the Minister of Finance had to offer to the House on the 16th.

What have the newspaper reviews said about the Budget Address, Mr. Deputy Speaker? Well, all we have to do is take a look at some of the headlines; "Manitoba Tax Rate Now Second Highest"; "Tax Hike to Support Big Spending"; "Winnipeg Tops the Tax Polls," and on and on it goes.

Therefore, I say who in Manitoba outside members opposite and maybe some of their political hacks can really support this particular Budget Address? For that reason, Mr. Deputy Speaker, I have to support the amendment that was tabled in this House by my leader; an amendment which really represented what this Budget is going to do for Manitobans by imposing the largest tax increase on the people of this province in the province's history. This Budget is going to destroy our ability to attract investment and job creation into this province. By the newspaper reviews, Mr. Deputy Speaker, we see that this is already starting to evolve. The primary stages of this are already being set.

Then what else is it going to do? By refusing to acknowledge that they have been irresponsible in their spending and by refusing to introduce efficiency measures, this government is doubling in many instances the fees that it is charging to Manitobans and tax it is expecting from them. So, the end result is that this Budget, Mr. Deputy Speaker, is imposing upon Manitobans an increasing tax burden, not only

to the people that are paying the taxes now, but it's leaving a legacy and imposing a legacy upon the children, our children and our grandchildren; and they will have to pay for the errors and the mishandlings of the administration that this government has committed.

Mr. Deputy Speaker, in its term of office this government has acquired some very nasty spending habits, accumulating an incredible deficit of something like \$2.5 billion in five years of administration. I'd like to just mention a couple of its nasty spending habits, mismanagement of the Crown corporations.

We take a look at the Crown corporations and ask ourselves what have they done for Manitobans? How have they improved the quality of life for Manitobans? Well, let's take a look at Manfor, for example, Mr. Deputy Speaker. Manfor should be a viable operation but since this administration has taken over it has lost hundreds of millions of dollars.

What has happened with Flyer Industries? So much money was lost with Flyer Industries that this administration decided not to sell it but to give it away, and then they gave some fringe benefits along with it as I mentioned in the Throne Speech. Now we see newcomers on the scene like Autopac, MPIC, Mr. Deputy Speaker. We are just going through that, just starting to realize some of the incredible losses that have been incurred with MPIC. What about telephones, MTX, Mr. Deputy Speaker? Now we find that even Workers Compensation where fees are increasing by 20 percent is subject to losses of something like in excess of \$60 million.

So what will the total deficits be by the time this administration ends its tenure? I hate to guess, Mr. Deputy Speaker, and I'm sure that we shudder to think what they might be.

Let's make no mistake, Mr. Deputy Speaker, who is going to be paying for these mistakes. Where is the money going to come from? -(Interjection)-

A MEMBER: One person.

MR. L. DERKACH: That's right. The money is going to come from you and I, the taxpayers of this province. How long can this province on behalf of the taxpayers continue, or this administration continue to borrow and pay for the losses of the Crown corporations and of its nasty spending habits, especially when we take a look at the debt servicing charge of \$438 million?

But, just imagine, Mr. Deputy Speaker, what we could do for the people of Manitoba if we didn't have these incredible losses. Just imagine the kind of health service facilities we would be able to provide to the people of Manitoba. The Minister of Health then would not have to close down whole sections in our major hospitals. We would be able to have CAT scans like we need in this province. The facilities would be updated, Mr. Deputy Speaker, and people would not have to wait in line for elective surgery, or would not have to go to the United States to get special treatment. But we can't do that when we have a government that keeps spending and mishandling our funds.

What would happen to our education system, Mr. Deputy Speaker, if we had not lost these millions and millions of dollars? Well, Mr. Deputy Speaker, I know

what our education system could do. We would not have a deterioration of facilities at our universities. We would be able to have programs which enhance and which cater to the needs of those students who have special skills. We would probably be able to look after our special-needs students a lot better than we do, and give them the kind of diagnostic skills and the needs that they may have, we would be able to meet those.

What could we do for agriculture? Perhaps we could do then what Saskatchewan and Alberta are doing, but we can't offer any of these programs, Mr. Deputy Speaker. We can't offer them because this government has wasted, has squandered, the money of the taxpayers of Manitoba, and now they are saying to the taxpayers "we need more." Well, what do we need more for?

Today, in the House in question period, it was pointed out why we need more. My colleague pointed it out in her speech just a few moments ago. Because the executive support spending for some of the departments is increasing by not a single digit figure, it is increasing by 30 percent, 15 percent, double-digit figures, Mr. Deputy Speaker. Just for what reason? To support the image that this government is trying to bolster.

This government, Mr. Deputy Speaker, is one that is uncaring. It is selfish because it spends on itself to keep its image up, and it is insensitive to the needs of Manitobans, insensitive because now it is asking them to dig deeper into their pockets to support its habits. They are not about to stop spending, Mr. Deputy Speaker, because they are projecting a deficit of something like \$415 million. We can rest assured that figure is not accurate because we see, by their projection last year, they overspent by almost \$100 million, and they will do it again. So next year, when they come back to us, they will say that now we are going to decrease the deficit again because they will simply underestimate.

The tax hikes that have been outlined in this Budget, Mr. Deputy Speaker, are ones like we have never seen before, and they will be paid for by every Manitoban. Every Manitoban will have to charge that up to his cost of living because the retail sales tax goes up. Every time that consumer goes out to buy something, he is going to have to pay 1 percent over and above what he paid last year. The payroll tax is going to be absorbed, not by the businessman - he's simply going to pass it on to the consumer, so the consumer has to budget more to take care of the increase in the payroll tax. Besides that, some of those people are going to lose their jobs in the interim.

And then, when he wants to take his family out, he's going to have to pay an extra tax on take-out food, Mr. Deputy Speaker. If he wants to buy a house he will have to pay a land transfer tax now. Then, if he's fortunate enough to be making over \$25,000, or less than that for that matter, he will have to pay a tax on his net income. If he can make more than \$30,000, then he'll have to pay a surtax and then, on top of all of this, we have all the increased fees.

Mr. Deputy Speaker, in his Budget Address, the Minister of Finance said that this Budget was designed to be more fair, to tax those people who are better prepared to pay. Well, Mr. Deputy Speaker, they are

taxing those people, but they are also taxing those people who can't afford to pay any more. Whether that person works as a labourer in a welding shop, whether that person is a construction worker, whether he works in a processing plant, he will be asked to pay more. Even the professionals are going to be asked to pay more - that is true. I wonder what the Minister of Education is thinking now when he asked the teachers to take 0 percent and, not only is he asking them to take 0 percent now, he's going to ask them to also pay 2 percent from what they've got, and then maybe charge them a surtax on top of that.

But not only are the labourers, the professionals being hit, Mr. Deputy Speaker, business entrepreneurs, those men and women who maybe take their savings and go into a business on their own because that is the nature of us, these are the kinds of things we like to be engaged in. We don't mind taking the risk as long as there is a fair return at the end of the line. These are the people who employ most Manitobans. They are the ones who create the jobs, Mr. Deputy Speaker. And how are they going to be treated in this Budget? Well, Mr. Deputy Speaker, they are going to be treated in a way where they are, too, going to have to pay a considerable amount more to sustain the spending habits of this government.

I would like to zero in on my constituency, Mr. Deputy Speaker, because this Budget is going to drastically affect people in my constituency, as well. I would like to talk about agriculture in my constituency because, not only is it the backbone of my constituency, it is the backbone of our province. When the Member for Virden spoke about the dilemma in agriculture, a member from the opposite side said, well, okay what about north end Winnipeg? Well, Mr. Deputy Speaker, there's a vast difference. Farmers are in a dilemma now not because of their own making. It's an economy that is tumbled down, a breakdown of the farm economy. They have to be helped in the interim because they're facing a loss of livelihood. What will this government do with those people if they can't continue their efforts in the agricultural business? Are they to go on welfare, Mr. Deputy Speaker? But yet, this Budget did not address the needs of these people in any way, shape or form.

To examine the components of the Budget, Mr. Deputy Speaker, with regard to agriculture, let's take a look at the proposal or the commitment of the rebate on education tax. Now this, as you know, Mr. Deputy Speaker, was an election commitment that my leader and my colleagues, my party, made to the people of Manitoba in the last election. But it wasn't in such a narrow scope as that which was presented in the Budget Address because, Mr. Deputy Speaker, in your grain farming you have to have a large tract of land in order to make any money. In his Budget Address the Minister of Finance said that every farmer will have an opportunity to be exempt up to \$500 from education tax. Well, I asked the Minister of Agriculture how he thinks this is fair when intensive farming units, who don't need a large tract of land, the same as what he is involved in - and I am not accusing him of taking advantage of it or anything of that nature. But he is one of those who was fortunate enough to be able to have an operation which could be run on a small tract of land. Why weren't those intensive farming units asked

to pay their fair share? Why weren't they? Because they are all very small, they're very powerful. They are all kind of leaning like our Minister of Agriculture is, in terms of what he feels about marketing boards. Therefore, they were able to convince this Minister that he should not impose any taxes on those particular farmers.

So, a farmer who is grain farming and has six quarters can only get \$500 back. A farmer who has maybe four acres can get his entire education tax back on that piece of land, Mr. Deputy Speaker, and in all likelihood, he gained much more in terms of income off that small parcel of land and off that small operation than will the farmer who is grain farming.

Let's take a look at the support that this Finance Minister gave to MACC clients. Now let's take a look at how many MACC clients we have in Manitoba in total compared to the number of farmers we have in Manitoba. I don't disagree with the Minister that he should be supporting the MACC farmers. They are farmers who are in need of some assistance, and I agree they need some write-downs in their loan interest; they need some assistance to help them through these tough economic times.

But what about the assistance to the average farmer? We talked about ordinary Manitobans. Let's talk about average Manitoba farmers, those farmers who do not have MACC loans, who have loans with the banks; those members, Mr. Deputy Speaker, who can't get a break on interest rates because they don't belong to the MACC plan. How has this Budget addressed the needs of those farmers, because they don't qualify for any of the programs that were announced? So what has this Budget done for that individual, Mr. Deputy Speaker? It has done nothing.

What has Bill 4 done to these farmers as well, Mr. Deputy Speaker? Again, it hasn't helped them through this tough economic time, or at least we haven't seen any evidence of it to date.

There are programs, Mr. Deputy Speaker, that the Minister of Finance could have announced in his Budget Address that could have helped farmers in my constituency along with the rest of the province. I've pointed these out before to the Minister of Agriculture and I'm going to repeat them again. Where is the feedlot stabilization plan? Why did Canada Packers close, Mr. Deputy Speaker? Because we don't have sufficient cattle numbers to warrant it staying open.

A MEMBER: Payroll tax, bad legislation.

MR. L. DERKACH: We have the payroll tax that is a disincentive to creating jobs, Mr. Deputy Speaker.

But the paramount reason is the fact that our feeder cattle are leaving our province. They are going west; they are going east. Isn't it just as easy to have the cattle finished in Manitoba that are raised in Manitoba, have them processed in Manitoba? We can add some value to the product when it leaves Manitoba. It's easier to ship that product anyway. We can create jobs, Mr. Deputy Speaker.

Why doesn't the Minister of Agriculture take a positive look at this and implement a feedlot program that will help the farmers in Manitoba? It helps them in diversification; it helps them in being able to finish the

cattle; it helps the grain farmer because then there's a market for his feed grain right here in Manitoba; but yet, the Minister is stalling and I don't know why.

A MEMBER: A non-socialist might make a dollar and that would hurt badly.

MR. L. DERKACH: Well, Mr. Deputy Speaker, I have to address the other part of the livestock industry as well, and that part is the poultry industry. The Minister of Agriculture is involved in the poultry industry, so he knows it very well. How did he help small farmers? Did the Budget at least make any mention of how they were going to help these small farmers diversify? No, they lived by a regulation that was set last Session or last year.

Instead of allowing farmers to increase their numbers of poultry hens so there might be some extra income, they have reduced that number from 500 hens down to 99 hens. Why didn't they allow that number to go to 1,000 hens so these small farmers could actually get some income by selling the product perhaps locally, or even if they have to ship their product to the grading stations, then, at least, there is some diversified income, some cash flow coming in? Many of these farmers, Mr. Deputy Speaker, are the young farmers who are just starting into the business who need that extra help.

What about the broiler quotas, Mr. Deputy Speaker? Let's take a look at what's happened in Saskatchewan to the quotas, and why don't we break our quotas down into smaller lots where smaller producers can get into the business? Instead, this business is being held by a few large conglomerates who have no pity for the small producer, who have no interest in the actual family farm. Mr. Deputy Speaker, these are the people that need the help, but they are not going to get it from this Minister.

There are other programs that the Minister could have addressed as well, Mr. Deputy Speaker. One of them could have been the rebate on fuel tax. Like our counterparts in Saskatchewan, 4 cents a litre would have meant a great amount to the farmers in this province in putting in their crops. How will the rebate on American fuel help constituents in Roblin-Russell, Mr. Deputy Speaker? We are too far away from the border. It doesn't make any sense to bring that fuel that far, and there is no saving for us. So when the Minister announced that this was going to be a major thing for our farmers, it is not, Mr. Deputy Speaker, because we can't take advantage of it.

Then why couldn't the Minister of Agriculture also announce a program where there would be low interest rates for operating capital even if it was for one year, Mr. Deputy Speaker, to allow farmers to get over this poor economic time? No, Mr. Deputy Speaker, none of that came about, and none of that is going to come about because this government does not have any interest in the rural farmers of this province.

And where could the money come from, Mr. Deputy Speaker? Well, as I've outlined, a lot of that money to support agriculture could have come from the Jobs Fund, for example. Why couldn't the Jobs Fund be used to help farmers in a time of crisis? Why couldn't the taxes, that \$500 tax rebate that was given to farmers, why couldn't it have been expanded to allow

50 percent of the tax on farm land for education, a complete removal of that much of it, supported by taxing fairly the intensive farm operations, Mr. Deputy Speaker?

But there are small businesses in my community as well, and those small businesses, Mr. Deputy Speaker, depend on the agricultural economy, especially in the small towns across this province. We have one big city in our province; that is right here in the City of Winnipeg. The rest of our province is the smaller cities or very small towns whose dependence is largely on agriculture. Therefore, taxes such as the payroll tax, the retail tax, the tax on net income, adversely affect each and every one of these small communities.

Each of these small communities is made up of small business people; small business people who may in fact hire enough people to pay more than \$100,000 in wages in a year. Now we don't call anybody who pays \$100,000 of wages in a year a big businessman. But what are these people going to be forced to do, Mr. Deputy Speaker? They're going to be forced to take a look at their budgets and probably cut out one employee, and one employee in a small town means a lot because that employee probably has a family to feed in that town. He probably makes contributions in the stores in town, Mr. Deputy Speaker; he's a part of that community. So one employee, two employees or three employees, that hits small communities very hard.

This is the second time we heard in the Budget that this government was going to support small business through a Small Business Bond. Last year we heard about it; nothing happened, Mr. Deputy Speaker. We heard about it again, a repeat of the same thing; nothing has happened yet. Yet when the announcement came about the Community Places Program, that program was implemented almost immediately, very quickly, very speedily.

But when it comes to supporting small businesses in our province, for some reason there's a delay. And why is there a reluctance on this government to do anything for the small businesses in this province? Are they waiting for the Federal Government to do something, Mr. Deputy Speaker? Let's be honest about the impact of this Budget. Let's see what it's going to do for rural Manitobans, for Manitobans right here in the city. It is not going to do anything positive or constructive. It is going to cost each and every one of us.

But there are non-profit organizations in this province, Mr. Deputy Speaker, who are going to be hit by the impact of this Budget as well. When we take a look at the payroll tax and we take a look at the universities, and Brandon University, for one, is going to pay an extra \$100,000 in payroll tax, and why? Who's going to pay that, Mr. Deputy Speaker? People who send their children to those schools, the taxpayers of this province, are going to have to pick up that extra 2.25 percent payroll tax. They are the ones who are going to have to shoulder the burden for this increase in this tax.

So who did the Minister listen to when he was preparing for his Budget, Mr. Deputy Speaker? It appears that although he says he met with many groups throughout the province, he heard no one. I say this because retail merchants from bordertowns expressed their deep concern about the retail sales tax and the

impact it was going to have on them because their counterparts just across the border in Saskatchewan had no sales tax on clothing up to \$300 of value.

These merchants were having difficulty competing with these Saskatchewan counterparts and so they came to the Minister and said, "What can you do for us? Is there any possibility that you could remove this sales tax at least to a maximum of \$300.00? That would help us very much." So the Minister went ahead and had a study done, and in his study he said that there was really no impact, no difference. Yet, if we look at the trend, Mr. Deputy Speaker, we find that in fact there was a trend. Small though it was, there was a difference. As a matter of fact, in some months there was as much as 4 percent difference.

Now why was there not a bigger effect? I say that because many of the merchants picked up that 6 percent out of their profits so that they could compete. If a customer came in from Saskatchewan or from Manitoba and said, "Look, I can travel 20 minutes and I don't have to pay this 6 percent sales tax," the merchant probably absorbed that tax and paid it, but he can't do that now when it's 7 percent, Mr. Deputy Speaker, and customers and consumers are more aware of what's happening and they are going to take that 20 minutes and they're going to travel into Saskatchewan. Not only are they going to buy their dry goods there, but they'll buy their groceries there, they'll buy their fuel there because it's cheaper as well, and so the bordertowns slowly start to lose their business and they slowly start to die.

I have a concern about that, Mr. Deputy Speaker, because I come from an area where we depend on every nickel that we can get through our business places. Just the other day, I was speaking with a gentleman in my town who runs a service station and it operates 24 hours a day at the present time. Because of this Budget, this individual has decided that he is going to cut his hours from the 24 hour in a day service down to a normal day, down to from eight o'clock in the morning or seven o'clock in the morning till six o'clock at night. He runs a service station that provides gasoline, diesel fuel for truckers; it provides an excellent restaurant service.

How many people are going to be affected by this particular move, Mr. Deputy Speaker? I can count about five in that community that are going to be affected, that are going to lose their jobs if, in fact, this businessman decides to proceed with this action. And this government can say that the impact of this Budget is fair; it can tell us that it's not going to have an impact on our small towns, on our small communities! That is garbage, Mr. Deputy Speaker.

So it is going to be very interesting to watch, but very sad, Mr. Deputy Speaker, when we see businesses in Manitoba close their doors and move to other parts of this country because of the negative impact that this government has had on us.

The Budget stressed the importance of health and education. Both these areas are important to us - they're important to all Manitobans - and they're important because that is the future of our province and health needs we all have to have. But the government has not handled either the health facilities, the way the health departments have been run, or the education very efficiently, Mr. Deputy Speaker. We have seen a

deterioration since the time this government took office, and all of a sudden we are in a crisis situation where this government has been forced to close down whole blocks of hospital beds, where services to Manitobans have had to be reduced.

Where's the burden being shifted to, Mr. Deputy Speaker? We are finding that the burden is being shifted upon the local taxpayers. We had some 12 organizations come to the Premier not so long ago, telling him about the unfairness of the special levy that is being imposed upon them because this government, the Minister of Education, is not living up to its responsibilities in terms of funding public education. The commitment by the Premier himself to fund education to a level of 90 percent by 1990 has fallen to the side.

Why are people cynical about government, Mr. Deputy Speaker? Because of promises that can't be kept, silly promises that were made during an election, which can't be lived up to. And now we see that Premier's commitment of 90 percent has dwindled down to where schools in our rural areas and throughout our province are getting something like 70 percent or 71 percent funding from the province. The rest has to come from the local taxpayer.

I don't think this government and this Premier has heard the end of that yet, because people are not going to sit idly by and watch their local taxes go up while this government professes that the taxes it's imposing on people are not going to hurt them.

The Minister of Education has heard from us that the GSC formula must be changed because it is not addressing the needs of many school divisions. But has he done anything about it? No, there hasn't been anything done about it to this point in time. Mr. Deputy Speaker, I doubt whether he has the will or the courage to do anything about it in the future.

Mr. Deputy Speaker, the Minister of Finance said that this Budget was one of fairness, of compassion, and was one of building for the future. I think most Manitobans would agree that this Budget is very unfair to the average Manitoban because it asks him to pay more and get less in return. There was no compassion shown by this government or by the Minister in presenting this Budget. The Budget illustrated an insensitivity to the needs of our people in this province, and instead of building for the future, this Budget is a further erosion and destruction of the future of our province.

Thank you very much.

MR. DEPUTY SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Deputy Speaker, I want to commence my remarks this afternoon by extending congratulations to the Minister of Finance. I believe the Minister of Finance has done a tremendous job in this his second Budget Address.

Mr. Deputy Speaker, this Budget is, without question, a Budget that is courageous as well as being a Budget that is fair. It is a Budget that is geared toward ensuring that there is a demonstration on the part of Manitobans to protect the quality of life within the Province of Manitoba and to prevent the hacking and slashing philosophy that has been practised in other provinces

in Canada, particularly those that are administered by Conservative provinces in this country.

It represents a clear and unequivocal commitment on the part of this government to protecting and enhancing the vital services that are important to people within the Province of Manitoba. It is a Budget that reflects a caring and responsible attitude, confronting the social problems which Manitobans are faced with. It is a Budget that has been crafted by the Minister of Finance as a consequence of his listening to Manitobans. It is a Budget that reflects the realization on the part of Manitobans that costs are escalating.

Honourable members across the way do not appear to grant ordinary Manitobans any degree of understanding as their degree of sophistication. That, I believe, is a fundamental weakness on the part of honourable members across the way. They do not properly apprise the judgment and wisdom of ordinary Manitobans because ordinary Manitobans know that costs are rising. Every time they proceed to the corner store and they pay extra prices, they know that costs are climbing and they know, Mr. Deputy Speaker, therefore, that costs of those services that are crucial and important to them must also increase.

The Minister of Finance travelled the Province of Manitoba and he spoke to farmers and to businesspeople and to working men and women, to people within the villages and towns and cities of our province, in the North and in the South, and as a result of those meetings received, as the Minister of Finance himself indicated the other night, a very clear message from the people of the Province of Manitoba. Manitobans want their government to continue the finest school system that can be provided for their children and for their grandchildren. Manitobans want to maintain and, where possible, to improve a health care delivery system in order to ensure that it remains amongst the best in the world. Most important, Mr. Deputy Speaker, they want that system to be accessible and affordable to all Manitobans, not just a few. They reject any suggestion of a two-tier, a Class A and Class B Medicare system within the Province of Manitoba.

They want as well fairness for the farmers and for the rural communities in the Province of Manitoba. Manitobans recognize that there is a critical situation pertaining to the farmers of the Province of Manitoba. They want fairness on the part of government, federal or provincial, in attempting to do what we can within the financial and jurisdictional responsibilities that we enjoy, to help those farmers in need, to ensure that we help those rural communities that are threatened as a consequence of one of, I suppose, Mr. Deputy Speaker, the worst financial crisis confronting the farm people of Western Canada since the 1930's.

Manitobans are not, despite the repetitious comments on the part of honourable members across the way, the kind of people that holler "me first, me first." That is not the way of Manitobans, Mr. Deputy Speaker. Manitobans have rejected in four of the last five elections a philosophy that believes in the law of the survival of the fittest, a law that is espoused by the social Darwinists who sit across the way in their seats. It is not in Manitoba society anyway, Mr. Deputy Speaker, a jungle in which every person is indeed out for him or herself in the Province of Manitoba without any concern or consideration for the lot of others in our society.

The Golden Rule is not theory for Manitobans, but by way of the history and the tradition of the people of the Province of Manitoba, the Golden Rule is practise. It is to be practised and effected by Manitobans whether it is in their local communities and their volunteer organizations or on the part of the Provincial Government. They believe, they espouse, they practise the Golden Rule. Manitobans are not, as I say, social Darwinists as we have in this Chamber across the way; that, Mr. Deputy Speaker, they do not want their social programs eroded.

Manitobans are prepared, despite what the honourable members have said across the way one by one, to pay their fair share in order to ensure the maintenance and the improvement where necessary of those social services. Mr. Deputy Speaker, I've recognized, just as I hear now from the Honourable Member for Roblin-Russell, that the word "fair" throws honourable members into a frenzy.

Mr. Deputy Speaker, let me assure you whether they like the word "fair" or not, they're going to hear it again and again and again from honourable members on this side of the Chamber. Mr. Deputy Speaker, that's what this Budget was all about. It was about fairness.

I acknowledge that this Budget was a tough Budget, but it means that Manitobans have to spend a little extra in order to maintain the vital services of Manitoba, the quality of life of Manitobans. They are prepared to share equitably as Manitobans in the provision of those services.

Mr. Deputy Speaker, all that Manitobans ask, however, is that in the request that they pay more of their share toward the provision of vital social services, that payment of more be based upon ability to pay. So those who can afford to pay will contribute for those in our society who are not so fortunate, those whose own good fortune smiled upon them, Mr. Deputy Speaker, have a responsibility to provide a little extra for those of their citizens who have not had fortune smiled upon them. We have asked, Mr. Deputy Speaker, that the more successful members of our provincial community pay a little additional share in order to provide assistance, to provide further aid to ensure the improvement of the quality of life for all Manitobans.

We have asked the wealthiest corporations, the largest corporations, the biggest businesses, the highest income earners to pay a more equitable proportion of the cost of maintaining the quality of life that we all enjoy in the Province of Manitoba.

I know, Mr. Deputy Speaker, that does not go down well with honourable members across the way. I know, Mr. Deputy Speaker, because that attitude that we witness from honourable members across the way has been demonstrated again and again right across Canada by their cousins in other parts of this country insofar as their attitude to fair and progressive tax reform system. They believe in the natural order of things. They believe that things are best as reflected by the old song, Mr. Deputy Speaker, that you've I'm sure heard, "The Rich Get Richer and the Poor Get Poorer."

They are the social Darwinists. They believe that if you're poor and you're unemployed then, Mr. Deputy Speaker, there's little that society can do; in many cases that it's their own fault, the fault of those who are poor and unemployed. The Tories believe, Mr. Deputy

Speaker, by way of philosophy, that it is only the strong who survive.

As the late Tommy Douglas said - and only as Tommy Douglas could tell this in a very, very descriptive way, I want honourable members to listen to the words of Tommy Douglas when he described their attitude and the attitude of Conservatives - "It's everyone for themselves said the elephant as he danced amongst the chickens." Well, Mr. Deputy Speaker, that may be well and good if you're one of the elephants, but it's not so good if you're one of the chickens. Members opposite believe in that kind of theory, that type of philosophy.

But, Mr. Deputy Speaker, Manitobans see through the kind of slick rhetoric on the part of honourable members across the way. They saw through their slick electioneering during the last election and to their surprise. I remember the Honourable Member for Emerson, 1984, sitting exactly where he is sitting now, and just as confident as he pretends to be now, waving his finger at me and suggesting that we would not come back to this Chamber with more than eight members. I remember the honourable member in 1984 with his prediction to honourable members on this side of the Chamber.

I also remember, Mr. Deputy Speaker, he even predicted doom and gloom for me in my own constituency of Selkirk back in 1984.

(Madam Speaker in the Chair.)

SOME HONOURABLE MEMBERS: Oh, oh!

HON. H. PAWLEY: Well, Madam Speaker, I enjoy elections and, at the proper time and occasion when we have fulfilled our mandate, I look forward with tremendous anticipation to campaigning and to visiting with Manitobans to explain the philosophy and program and the vision of the New Democratic Party of the Province of Manitoba and the democratic socialist movement of this province.

Madam Speaker, what is of most concern to me is the apparent contradiction and - may I say? - hypocrisy that appears to be presented from across the way, starting with the Leader of the Opposition, running through the speeches from the Member for Gladstone, the Member for Pembina, the Member for Roblin-Russell, Ste. Rose, the Member for Morris and the Member for River East.

Madam Speaker, we've had a series of demands for additional expenditures and I'm going to read to you some of those demands that we've had, demands from honourable members across the way that we ought to be spending more and more and more, always of course to respond to the particular special interests. The Leader of the Opposition, about three or four months ago said, the problem with the Government of the Province of Manitoba, we respond to every squeaky interest group. I've scratched my head, because it has been the Leader of the Opposition, it has been the honourable members across the way who have responded to every little bit of pressure from their particular interest groups.

I'm going to read for the benefit of honourable members across the way some of the demands that this side of the Chamber has been subjected to in the last three weeks. I haven't totalled up this total

expenditure that we comply with the demands by honourable members across the way. We can tally this independently amongst ourselves to ascertain what the additional costs would be. But listen, Madam Speaker, the honourable - I'm starting off interestingly with the Honourable Member for Pembina, who asked us to provide a line of credit for Carman Agri, which the honourable member for Pembina says - right, I don't know whether that matter has been dealt with yet in committee. I assume the honourable member is raising this matter in the Public Utilities Committee at some point. Maybe the honourable members pushed this matter onto a back shelf. I don't know. I guess we'll only tell in time. But the honourable member demanded that the Minister responsible for the Manitoba Public Insurance Corporation who, I must say, Madam Speaker, in case there's any doubt on the part of any honourable members across the way, in my view, has done a darn good job in the ministry's responsibilities for the Manitoba Public Insurance Corporation.

Madam Speaker, the Leader of the Opposition called for the complete and total removal of the tax on farm land. I want to first, as I'm reading this list, not suggest, Madam Speaker, that there's anything wrong with the number of these demands. Many of these proposals are good proposals, but what honourable members don't appear to realize is that these proposals cost money.

Madam Speaker, we had also the demand from the Leader of the Opposition, March 2, 1987, that we cancel the health and education levy. That would come to \$120 million. That's not a difficult one to calculate the additional cost - \$120 million. Cancel, he says, the health and education levy throughout the Province of Manitoba, which of course the Honourable Leader of the Opposition did during the campaign as well; he promised Manitobans that levy would be removed.

Spending more - we have also the Leader of the Opposition calling, Madam Speaker, to spend more to keep 15 beds open at the Health Sciences Centre. We recall the discussion that took place between the Minister of Health and the Leader of the Opposition in responding to the demand for the extra 15 beds at the Health Sciences Centre.

We have, as well, a demand from the Member for St. Norbert for relief for homeowners in the City of Winnipeg insofar as dealing with their high taxes. I don't know what the cost amount is, whether honourable members across the way have detailed a cost estimate of that. I would think it would be rather significant, but this was a demand that was made by honourable members on March 3, extra assistance for the homeowners in the City of Winnipeg. Forget about whether or not particular homeowners might require it. Just give them extra assistance - very, very good, of course, insofar as putting into some of those fancy brochures that honourable members send out to the people in the City of Winnipeg. You get away with anything, obviously, and then you stick it into your brochures and send it out to your constituents.

The Manitoba Agricultural Credit Corporation - rebates, Young Farmer rebates increased to \$100,000 from \$50,000.00. This was a demand from the Honourable Member for Portage la Prairie in this House on March 3 of this year.

Of course, we also had the sugar beet program. The Minister of Agriculture responded positively insofar as

that particular demand is concerned, but I suspect that honourable members across the way feel that the Minister of Agriculture isn't being generous enough; that his commitment should involve much more by provincial money, despite the fact that the Minister of Agriculture has been let down by a betrayal of a commitment that was made last year by the Federal Government in the year 1985 in respect to a national sugar sweetener policy.

Then we have also a - by Jove! That Member for Portage la Prairie sure knows how to spend money - road and Overhill Drain in Portage la Prairie constituency. That was a demand.

I say to the Honourable Member for Gladstone, I'm not criticizing any of these programs that I have indicated a few moments ago, but what I'm pointing out to the Member for Gladstone, that Tory demands cost a lot of money and you can't have it out of both sides of your mouth. You can't be demanding a big decrease in the deficit on one hand to those who want to hear that particular song from you and then, back in your constituencies, say, "Look, we sure turned the heat on the government to spend \$100 million, \$200 million, \$300 million more." You can't have it both ways.

Well, I hear from my colleagues, and I must withdraw a statement. Sure, they can have it both ways, because they are Conservatives and Conservatives can have it both ways. We've always known that.

SOME HONOURABLE MEMBERS: Oh, oh!

HON. H. PAWLEY: The Honourable Member for Arthur demanded the restoration of the RCMP detachments in Reston and Deloraine and, if we were not mindful of spending priorities, Madam Speaker, and we had lots of money to toss around, then there's nothing wrong with that particular demand. But, Madam Speaker, the difference between members on this side of the Chamber, we've had to make some tough choices and choices that affected our constituencies as well as your constituency, because that RCMP detachment issue affected the Honourable Member for Gimli just as well as the Honourable Member for Arthur.

Then, Madam Speaker, we also have a demand from the Honourable Member for Portage la Prairie, addressed directly to the Minister responsible for Small Business and Tourism, that more money be spent on enhancing tourism in the Province of Manitoba - unspecified, but he demanded that the Minister pour larger and larger sums into tourism.

Madam Speaker, it sounds very nice, again, to a particular group in the Province of Manitoba that their honourable members in this Chamber, who are sitting in Opposition, would get up and they would really turn the heat on the government to spend more money in tourism.

MR. F. JOHNSTON: It's your "Go home, Yank" policy.

HON. H. PAWLEY: The Honourable Member for Sturgeon Creek doesn't seem to realize that what I am demonstrating is that they have no philosophy, they have no direction. Their only philosophy and direction is one of opportunism, one of speaking out of both ends of their mouth at the same time.

MR. F. JOHNSTON: What are casinos on the backs of the poor? What about gambling on the backs of the poor - casinos? What about it? Do you agree with it? Say so!

HON. H. PAWLEY: The Honourable Member for Sturgeon Creek might speak to the Honourable Member for Charleswood.

The Honourable Member for Gladstone demanded - I can't believe this and if the Honourable Member for Gladstone wants to correct my statement, please do - but my records are she demanded a 52 percent increase in spending on agriculture, and she also demanded the construction of the Plumas Road and work on No. 2 Highway. I don't know what the cost would be. I'm sure the Minister of Transportation will be examining that. But as we proceed through, we'll find there's many, many roads being demanded by honourable members across the way.

The Honourable Member for River East who can give some - how shall I phrase it - inspiring speeches from time to time in the Chamber, this House, has called for the construction of the northwest section of Perimeter Highway, six miles. That was her demand on March 4, 1987 in the Chamber.

Again, we return to the Honourable Member for Arthur's constituency who demanded that a special fund be established for farm and soil preservation in the Province of Manitoba. Again, no amount specified.

It would help us a great deal, by the way, if honourable members would indicate some cost projection. That would be of some assistance in having a fair appraisal, and for Manitobans, have a fair appraisal. The cost, the extent of the demand that you're making, you have lots of demands but you never, never would think, of course, of attaching any cost estimate to your demands in this Chamber.

Then we had the Leader of the Opposition - and I was really astonished by this one - demanding that we implement a program like the Saskatchewan program, loans at 6 percent interest. This was a program, by the way, Madam Speaker, that has appeared to have gotten the Saskatchewan Government in some trouble. This is the same government that went to the people of Saskatchewan last April and said, "Our projected Budget deficit is going to be \$375 million." The last report we have is that deficit they projected at 375 is going to quadruple to \$1.2 billion. A large reason for that is because of the untargeted loan assistance that was given to anyone, whether they required it or not, and the heavy losses from this particular program being demanded of this government by the Leader of the Opposition.

I wonder, Madam Speaker, how the members of the Opposition, how the Chartered Accountants Association, how the banks and some of the right-wing economists of this province would have responded if this government had miscalculated their projected deficit in the same way that the Devine Government in Saskatchewan did. Do you know what they would say? "Those are those crazy socialists; they don't know how to manage the economy."

Madam Speaker, I think it's time that we point to the experience in the Province of Saskatchewan and some of these other Conservative administrations to

demonstrate just how little, by way of skill, Conservative administrations have done in this country in providing good, sound administration in their provinces.

Let me tell honourable members across the way that this government doesn't have to take second seat to any Conservative Government in this country when it comes to capable administration of the affairs of the province which they represent.

Madam Speaker, we'll just carry on with some other little gems.

The Honourable Member for Ste. Rose - I must admit I preferred the former Member for Ste. Rose who, by the way, served very well in this Chamber for many years - a man of tremendous wisdom, and one, in fact, who pioneered the Main Street Program in Manitoba. In fact, the legacy of the former Member for Ste. Rose will carry on for a long time, and I certainly expect that the present Member for Ste. Rose will not have the pleasure of leaving behind a legacy like the former Member for Ste. Rose left behind.

A 2 percent reduction to 11.5 percent from 13.5 percent called for by the Member for Ste. Rose for all loans for farmers over the rebate period. I don't know again what the cost estimate is in respect to this. I'm getting a costing from the Minister of Agriculture.

Then we have the Member for Pembina and the Member for Brandon West demanding beds at the Brandon General Hospital. - (Interjection)- Well, I'm getting that cost estimate again from the Minister of Health because, Madam Speaker, I think it's important that Manitobans not only hear about the tremendous demands, but also get some idea of the dollar cost.

Then we had the Member for Pembina calling for a reduction of diesel fuel prices by 14 to 19 cents per litre in the Province of Manitoba. This Member for Pembina is a real spendthrift. Not only does he want to intervene in legal cases in the province in order to provide guarantees to his constituents, because that's what would be involved during a process of a legal case - we hear lots of allegations about political intervention here and there - but it seems the Member for Pembina can make any demand that he wants for political intervention and that's okay, he is representing the interests of his constituents.

But he called for a \$20-plus per tonne of feed grain subsidies. I don't seem to have any notation from the Honourable Member for Pembina what that cost would be. It sounds like a good idea if we had the money. A \$40 per tonne rebate on ammonia fertilizer also called for by the Honourable Member for Pembina.

The Member for Virden has apparently called for funding for Keystone Agricultural Producers. That will be an interesting one just to check out and receive further clarification on as to just how much by way of assistance. I certainly have known the farm organizations in this province, and I thought by way of tradition farm organizations want to stand on their own feet. They don't want government grants or assistance to them as organizations. I thought that was the way of farm organizations, but here we have the Member for Virden demanding that some funds be provided for the Keystone Producers.

The Honourable Member for Virden also demanded delaying the payment date for the Manitoba Agricultural Credit Corporation, MACC, for three to six months with no interest penalties.

Another demand is fuel rebates of 46 cents per litre of farm-consumed fuel. The Honourable Member for Charleswood called for matching the amount McDonald's gave to Rick Hansen; and again, not a bad idea if there's lots of money and no consideration. It certainly sounds very nice; very, very attractive.

HON. E. KOSTYRA: How much is this up to already?

HON. H. PAWLEY: Well, I was hoping, Mr. Minister of Finance, I'm sure we're well over the \$225 million mark, and the deficit is growing, growing every moment here as we respond to all these demands and consideration

HON. R. PENNER: Not too late to add a little to the levy if you pay for all of that.

HON. H. PAWLEY: Maybe that's what they would like us to do.

The Member for Fort Garry, I understand, is calling for the immediate - and again, I don't quarrel with 90 percent funding - 90 percent public school funding in the Province of Manitoba, and I'm sure the Minister of Education will be able to give us some cost estimate of that. - (Interjection)- Immediately to 90 percent.

Madam Speaker, our commitment, despite the distortion, honourable members across the way are very good at distortion. We've seen a lot of distortion in the last three or four days on the Manitoba Public Insurance Corporation matter. You'll be more and more straightened out as to the different pieces of distortion that you've been leaving on the record and inspires the Manitoba Public Insurance Corporation.

A MEMBER: Take that back, Howard.

HON. H. PAWLEY: You will also, Madam Speaker, be interested to know that there's twisting of the facts insofar as our commitment, insofar as 90 percent funding. We indicated our commitment to that as a goal. We indicated we hoped we could achieve that by 1990-91, and that was placed clearly in the literature of this party's program. But for honourable members to suggest that was a commitment to immediate 90 percent funding stretches the imagination and totally discredits any credibility on the part of honourable members across the way.

Then, also, there was a call from the Honourable Member for Brandon West for more money for Child and Family Services in Brandon. The Honourable Member for Brandon West also called for money for sewers, drains, and new roads in the municipalities. Again, a good idea, but I don't know - I guess the honourable member's thinking of a multimillion package that we ought to be announcing in this respect as quickly as possible.

Madam Speaker, another good proposal and I think we will have to do more in this respect, and the Minister of Health has advised me and I certainly credit the Leader of the Opposition for calling for more money for AIDS advertising and information. It's certainly a good suggestion and one that will have to be included.

The Member for Virden excusing finishing feedlot owners from Manitoba Beef Stabilization Plan

premiums; the Honourable Member for Brandon West, feedlot program extension on Manitoba Beef Stabilization Program; the Member for St. Norbert, demanding the immediate implementation - regardless of the cost, just pour the staff in to do this just as quickly as we can, regardless of other priorities - of the Freedom of Information Program at once. We're doing it just as quickly as we can, but the Member for St. Norbert, his priority is that it should be done next week, just pour the monies in regardless of the consequences.

Sewers for East St. Paul, Birds Hill area, called for by the Honourable Member for Springfield. I must stop for a moment here, Madam Speaker, and just say that it was quite a contrast in fact to the presentations and

the initiatives, suggestions and ideas that constantly came forth from the former Member for Springfield, when he played an important and key role in this government, in this Legislature, not only representing the people of the Province of Manitoba, but I think was one of the best darn members of the Legislature the constituency of Springfield ever had.

MADAM SPEAKER: The hour being 6:00 p.m., I'm interrupting proceedings. When this matter is before the House, it will stand in the name of the Honourable First Minister.

The hour being 6:00 p.m., the House is now adjourned and stands adjourned till 1:30 p.m. tomorrow. (Wednesday)