

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 7 March, 1988.

Time — 8:00 p.m.

BUDGET DEBATE

MR. DEPUTY SPEAKER, C. Santos: The Honourable First Minister.

HON. H. PAWLEY: Mr. Deputy Speaker, having spoken just prior to recess at six o'clock, I intend to only summarize the basic comments that I made this afternoon.

I believe without any question, Mr. Deputy Speaker, that the Budget that was introduced to this House by the Minister of Finance was a balanced Budget. It was a Budget that clearly marked a clear approach to the fiscal and economic matters of the Province of Manitoba. It was balanced, Mr. Deputy Speaker, in that it provided for a reduction of the deficit at a rate which is substantially greater than the reduction in the recent federal Tory Budget.

Mr. Deputy Speaker, I can't help but simply be surprised at the sanctimonious reaction of honourable members across the way who keep talking about debt and deficit and at the same time choose to ignore the fact that this government, through careful management, but at the same time recognizing the priorities that we must deal with as Manitobans, have succeeded in reducing our deficit, firstly, at a rate which certainly was superior to that arrived at by the federal Tory Government; secondly, as I indicated this morning, during the past six years, our record, by way of fiscal management, compares well with any one of the other western Tory Governments in Western Canada.

HON. R. PENNER: Better!

HON. H. PAWLEY: Much better, much better. The Minister of Education is quite correct in straightening me out on that, because when we were elected, when we assumed office in November 1981, the Province of Manitoba had the largest per capita deficit of any one of the four western provinces.

(Madam Speaker, M. Phillips, in the Chair.)

Now, Madam Speaker, the Manitoba New Democratic Party Government has a less per capita deficit than the Conservative Government in the Province of Saskatchewan, the Tory Government of the Province of Alberta, the pseudo-Conservative Government of Social Credit Vander Zalm in the Province of British Columbia.

So I say to honourable members - because I know they tend to be very sanctimonious, very self-righteous - that they ought to reflect in the hard cold facts that are contained within the document that was tabled in this House by the Minister of Finance.

But in addition to that, despite all the bluster, all the rhetoric, all the nothingness that we've heard on the part of honourable members across the way, this New Democratic Party Government, Madam Speaker, has

managed to ensure that the basic health and social services are maintained in the Province of Manitoba.

To that extent, Madam Speaker, this government, I believe, has, under the most difficult circumstances, having been elected during the recession but recognizing that despite the fact we were elected during the recession, that there are activities, there are programs or initiatives that a social democratic government can undertake and we undertook in our job record. Our economic performance as a consequence is one that I believe Manitobans can be proud of.

So, Madam Speaker, despite the obvious distress on the part of honourable members across the way, my colleagues and I are proud of the work of the Minister of Finance. I believe Manitobans are proud of the priorities established by this government and they're proud of those priorities as are reflected in this Budget introduced by our Minister of Finance.

MADAM SPEAKER: The Honourable Member for Charleswood.

MR. J. ERNST: Thank you very much, Madam Speaker.

Madam Speaker, I rise to contribute to the debate on the Budget for this year. I want to thank the members on this side of the House, particularly, and members opposite, for the good wishes they expressed on my return to the House recently after my operation and convalescence.

I also want to thank the Premier for mentioning my convalescence and his well wishes in his Throne Speech closing, as a matter of fact, Madam Speaker, was very nice. However, Madam Speaker, that's not going to get them off the hook. It's not going to get them off the hook at all, Madam Speaker, despite the diatribe that we've heard from the Premier all afternoon, or a good portion of the afternoon, and earlier this evening.

Here we have a government who is proud of a Budget of \$300-and-some million of deficit - very proud. The Premier said, "It was a balanced Budget," earlier this evening. Madam Speaker, my arithmetic always said you spend as much as you take in - that was a balanced Budget.

They are proud, Madam Speaker, because they have indicated - and they got the headline they wanted - no Budget increase and no tax increases. That's what they were after. As a matter of fact, Madam Speaker, when they introduced horrendous increases last year, I remember seeing the Member for Ellice sitting in his place writing all kinds of letters to his constituents telling them how great a Budget it was and how things weren't all that bad.

They said a 7 percent sales tax isn't all that bad - it was a great Budget. The Member for Ellice, Madam Speaker, will remember the letter that he was writing to his constituents. He said a 2 percent tax on net income isn't bad. He said a 50 percent increase to the payroll tax isn't bad. He said hydro and telephone rates going up 11 percent isn't bad. He said all of those

things weren't bad at all. He said, Madam Speaker, that a new tax on the purchase of a home wasn't bad, and the reason it isn't bad, he said, was that we need this money in order to maintain our health care system. That was his rationale, Madam Speaker.

Well, let me tell you from personal experience about the health care system. In the hospital that I was in at the beginning of January, Madam Speaker, 25 percent of the beds on that floor were closed. When I was there, they laid off three nurses, one of them a single parent. That's the kind of health care system they were preserving with a horrendous tax increase last year.

A MEMBER: What hospital, Jim?

MR. J. ERNST: The Victoria Hospital, as a matter of fact. Madam Speaker, it was the Victoria Hospital that I was in. I was on the Surgical Ward, Madam Speaker, where 25 percent of the beds were closed, empty, nobody in them, because this government wouldn't provide enough money for health care to run those hospitals.

But I want to get back Madam Speaker, to the question of the 1988 Budget and whether there was a tax increase or not, apart from the tax on cigarettes and the tax on the poor people's gas. I want to talk for a minute about the numbers that are contained in the Estimates.

Madam Speaker, in the revenue generation portion of the Budget, the revenues estimated for last year were \$3.77 billion. Now on page 6 of the Budget Speech, under the Economic Review section, Madam Speaker, the Minister's own figure for increase in the Gross Domestic Product for the province is 6.3 percent. So if you multiply 3.77 billion by 6.3 percent, Madam Speaker, you come up with \$237 million. That's inflation and that's real growth included. So we now have a revenue based on real growth, based on the taxes from last year and based on inflation of \$4.01 billion.

But, Madam Speaker, that's not what the Budget document says. The revenue estimates in the Budget document say that the revenues will be \$4.222 billion. So, Madam Speaker, they have over \$200 million of new taxation revenue coming into the province in the year 1988 and they are proud of the fact they said no Budget increase, no tax increase.

Well, Madam Speaker, you have to, as my colleague from Morris has tried to do over the last number of days, try to bring to the attention of the public of Manitoba that the Minister is not coming clean, that in fact his credibility is seriously damaged as a result of producing this particular Budget - an increase of over \$200 million of tax revenue in 1988 as a result of taxes being brought in.

Where does it come from? It comes from taxes, Madam Speaker. Taxes on you, taxes on me, taxes on the rest of Manitobans. Those taxes, Madam Speaker, are what's going to bring this government down in the very near future because they understand what this government has done. They can't have wind and rabbit tracks anymore, Madam Speaker. The people of Manitoba know what this government has done and they know, Madam Speaker, they are going to throw them out of office.

Two hundred million dollars of new tax revenue, and as my leader has indicated earlier this week, Madam

Speaker, another \$400 tax per family in 1988 for a government who is going to spend \$180 million to buy a gas company in order to save them \$150 does not seem to make much sense at all - to spend \$180 million more of taxpayers' revenue to save them \$150 when they are going to tax them another \$400.

Madam Speaker, the government offered some token cuts in senior administration in the provincial Civil Service and they expect people to think that this is responsible government. Well, Madam Speaker, who do they cut?

By the way, Madam Speaker, they didn't mention how many more they hired since last year. They have a new Crown agency to review Crown corporations, Madam Speaker. How many people did they hire in that area? They have a new policeman for the Treasury Bench, Madam Speaker. - (interjection)- That's right, they have a new policeman in the Treasury Bench as well; and how many people did they have to hire for that particular department? Madam Speaker, these jobs never before in the Province of Manitoba have been required - a watchdog in the Crown corporations and a watchdog in the Treasury Bench. Madam Speaker, that's the shame of this province and that's the shame of that government. If they had responsible civil servants in those positions instead of trying to infiltrate their hacks and flacks of their political party into those senior management responsibilities, Madam Speaker, I think then we might see some responsible, at least, accounting, if nothing else.

They took two top Tourism civil servants out of the department - a department that is small to begin with - but to take two of the top officials out of the Tourism Department, the only area that we really have much opportunity to grow in, an area where we could attract people from the U.S., attract foreign visitors, attract those foreign dollars into our economy, and they took the top two officials out of the department. They said, "We don't need them," and the Minister, the Member for St. James, chuckles in his seat.

Well, Madam Speaker, maybe they have understood, maybe they have realized that the liquor prices, the gas taxes, the sales taxes that are all included in Manitoba will never attract tourists to this province, that they have driven them out of the province so there's no need to have those civil servants in that bureaucracy to try and bring them back in again. Madam Speaker, maybe they've realized that and that's their rationale, but the taxes go on and on and on.

Madam Speaker, my colleague from Morris has, over the past number of days, again indicated the lack of credibility, the kind of creative accounting and in fact - no pun intended - the ledger domain of the kind of activities that the Finance Minister has tried to put over on the people of Manitoba.

Madam Speaker, we have in charge, in this province, thugs and charlatans. That's who we have in charge in this province; that's the kind of people who are controlling the economy.

Madam Speaker, my colleague from Fort Garry very ably pointed out a couple of days ago in the Legislature, during question period, the kind of chicanery that goes on with respect to the Budget. We have a situation, Madam Speaker, where we have the Minister responsible for Community Services and the Finance Minister coming out and saying, "We've got \$20 million of new money being put into Community Services."

But, Madam Speaker, the First Minister, in his debate earlier, indicated that we can't have it all ways. Well, Madam Speaker, that's exactly what's happening here. The Finance Minister is trying to have it both ways. They announced, last year, spending increases to the amount of \$10 million on an annualized basis - \$10 million on an annualized basis they announced last year and they're trying to announce them again in the Budget. Well, Madam Speaker, you can't have it both ways. You can't have \$10 million coming in from the Federal Government and you try and take credit for it. You can't do that.

Madam Speaker, what we have here again is another shell game, switching the pea pods, finding out under which one now is going to be the new money under the Budget. Last year, they budgeted \$7 million for lottery revenues to transfer it to health care - \$7 million. There's nothing the matter with that, Madam Speaker. I think most people in Manitoba would support the fact that they would transfer some money from lottery revenues into health care, because people want health care.

Madam Speaker, in question period a few days ago, I asked the Minister of Finance - I said, "Can you tell us - why hasn't the \$7 million been transferred?" What he told me was that well, there wasn't \$7 million in the account, that lottery revenues were less than expected, and therefore they didn't have the \$7 million to transfer to health care. Now, there's a month left, a little less than a month left now, and perhaps they might come up with most of that money although the Minister didn't seem terribly optimistic when I asked him that question.

I want to quote, Madam Speaker, from Hansard of that same day. The Minister of Finance on page 343 of Hansard said: "The practice has been to try and have enough revenue in the lotteries account to sustain the following year's spending of those particular areas." Now, Madam Speaker, that in itself is not terribly significant, except he told me that they didn't have the \$7 million in the account for this year, so they budgeted \$10 million for next year. Well, Madam Speaker, does that breed credibility? I don't think so.

Madam Speaker, when he says that the \$7 million from last year is supposed to pay for the \$10 million for next year, that's not credible at all, particularly when he didn't even have the \$7 million to start with.

A MEMBER: So what are you going to do?

MR. J. ERNST: Well, I tell you, my colleague, again, the Member for Morris, indicated the Minister of Finance creatively accounted for the cost of \$61 million used for payments under Manitoba Properties Inc. They did not clear that as interest, Madam Speaker, cost of debt.

A MEMBER: Why not?

MR. J. ERNST: Well, because they want to have it both ways, that's why they didn't do that.

When we, on this side, Madam Speaker, said to the members opposite, you've sold off Crown assets, you've sold the buildings that the people of Manitoba paid for under Manitoba Properties Inc., they cried, no, we didn't sell the buildings, what we did is we used the creative new way to raise money, to borrow money that is

cheaper than going into the open market. Well, if that's the case, Madam Speaker, then why don't they claim it as interest? They haven't done that because they want to have it both ways again.

Madam Speaker, the Minister of Finance stood in this House and said it was a creative way to borrow money, that we didn't have to go to the open market and therefore the cost of that has to be interest. But when my colleague for Morris questioned him on that matter, he said no. He couldn't include that as interest, it was a cost of Manitoba Properties Inc. Well, what kind of cost and what kind of credibility has this Finance Minister, Madam Speaker?

Then we have the super Minister of Crown corporations. The super Minister of Crown Corporations, Madam Speaker, proudly proclaimed in the not too distant past . . .

MADAM SPEAKER: May I remind the honourable member we only refer to honourable members by their proper titles.

MR. J. ERNST: Madam Speaker, if the Member for Concordia, the Minister responsible for Crown corporations in part or in whole - we're not sure - but in any event this Minister proudly proclaimed there was a \$95 million profit in the Crown corporations of Manitoba. For 1987, a \$95 million profit. Now, Madam Speaker, he and I went to the same school, but I don't think we attended the same arithmetic class.

Given, Madam Speaker, that we had MTX losses and we have Autopac losses and Manfor losses in the past year, they think that a \$95 million profit - and they're trying to put that over on the people of Manitoba as a great thing, and they're very proud of that - but when we take a close look at that \$95 million profit, we see that there's a \$142 million profit alone in the Liquor Commission. Now it may not be a Crown corp, but he lumped it in with the Crown corporations, and you know, even that might not be too bad if he didn't try and claim a \$95 million profit because, Madam Speaker, of a \$142 million profit in the Manitoba Liquor Commission, all of a sudden, \$50 million has gone.

Given the ability of this government to manage Crown corporations, and that's not going to be given by very many people, but given their abilities to manage Crown corporations, the question has to be asked, if the Liquor Commission made a profit of \$142 million, how much did they lose on that? Could we have had \$200 million or \$250 million profit, because their track record in virtually every other Crown corporation is one of deficit.

So, Madam Speaker, the question has to be asked: How much did they leave on the table in the management of the Liquor Commission?

Madam Speaker, on page 11 of the Budget Address on Crown corporations, the Minister of Finance proudly proclaimed: "Last year," he said, "we initiated the first comprehensive reform of Crown corporations." Well, Madam Speaker, through successive Liberal and Conservative Governments throughout the Province of Manitoba's history, never before have we had to have this kind of review of Crown corporations. Only because they have created havoc in those Crown corporations and lost millions of dollars have they had even to have a review of Crown corporations.

Madam Speaker, their very first action under this new review of Crown corporations - now one that we've never had to have in the past - but in this new review, the first thing they did was sweep \$185 million of losses under the rug. That's the very first thing they did, Madam Speaker. They didn't want to bring that into the Budget; they didn't want to bring that onto the floor of this Legislature. They swept it under the rug. Let them start off, they said, with a clean slate, \$185 million of losses swept under the rug.

We've had the Member for Concordia stand up in public and say, Madam Speaker, we made a mistake. It's like Jimmy Swaggart stood up before the congregation and said: We made a mistake and we're sorry. We had the Premier last weekend at the NDP Convention saying: We promise to do better, we're sorry we sinned. Madam Speaker, he said, we're going to do better.

Well, Madam Speaker, he darn well better do better because he hasn't done anything up to now except lose a whole pile of money for the taxpayers of the Province of Manitoba. And then, Madam Speaker, the Minister of Finance brought in his .9 cents a litre tax on leaded fuels with some idea that it was going to preserve the environment. That was the rationale for increasing the price of gas which, for the last two years, they've been promising to reduce. But, Madam Speaker, he brought in a .9 cent litre on leaded gas saying now that the poor people of this province, those who can't afford newer cars that operate on unleaded gas, can all of a sudden now come up with the money to pay this additional tax.

They've had older cars, they drive older cars out of necessity, not out of desire. Madam Speaker, this .9 cents per litre gas tax somehow doesn't apply to the kind of statements that the Premier has been making in the past and, in fact, election promises that said, we'll reduce the price of gas in Manitoba. It doesn't matter what the Federal Government does and it doesn't matter what they do in Saskatchewan or Alberta or anywhere else. It's here the people have to pay the taxes, it's in this province that they have to pay that additional tax, it's in this province that those people are going to have to pay that .9 cents per litre - people who cannot afford that increase in taxation.

But, Madam Speaker, of the whole Budget, the most frightening thing of all is the \$600 million in interest costs that are going out to service the debt - \$600 million of money that could have been providing health care, could have been providing education, could have been providing a wide variety of activities, could have been providing for - heaven forbid - highways, something this government hasn't provided for the last 8 or 10 years.

Accumulations of year after year of half-billion dollar deficits have raised debt now to over \$10,000 per capita on an adjusted basis, Madam Speaker. My colleague from Riel quoted that earlier - \$10,000 per capita of debt, the highest of any province in Canada. Is that a record to be proud of? Is that a Budget to be proud of?

Madam Speaker, \$600 million of interest is more than it costs to run the entire City of Winnipeg for a whole year, and they're paying that out in interest. They're paying it out to Swiss banks; they're paying it out in Frankfurt and Tokyo and in the capitals of the United

States, Madam Speaker, to their good friends, members opposite, the people of the United States. They're providing them with all kinds of revenue, interest on the debt.

Madam Speaker, that \$600 million would have paid every policeman, every fireman, every public works person in the entire City of Winnipeg. It would have paid for every arena, every swimming pool, every faction of the operation of the City of Winnipeg, and would also have paid their entire capital program on top of that, Madam Speaker, for a whole year. That's what's going out of this province.

Madam Speaker, during debate the Minister of Agriculture talked about foreign ownership as a major concern of this government, and so it should be. That foreign ownership in the Province of Manitoba is the foreign ownership of the debt on the Province of Manitoba and it's not held by Manitobans; it's held by those people in Frankfurt and Zurich and in New York. They're the people who hold the debt in this province; they're the foreign owners we should be concerned about.

Madam Speaker, the New Democratic Party perpetuated the idea - and I heard it again on the weekend - that a Tory Government would be so ideologically committed to deficit reduction that drastic service level cuts would be automatic. The Premier said it today, that any Tory Government would somehow be so preoccupied with the deficit that they would drastically reduce services across the province.

Madam Speaker, if you refer to the Lyon Government from 1977 to 1981, as a matter of fact, what did they do? Did they cut hospital beds? No, they increased hospital beds in this province. Did they increase taxes like the members opposite? No, Madam Speaker, they reduced taxes, so how in heaven's name they can exaggerate with those kinds of statements, I have no idea.

The problem is that they are so ideologically committed themselves they can't see anything else, that only their ideas are right, because they must control everything, they must run everything, they must own everything. That is the ideological problem that Manitobans face, Madam Speaker, and that is something that the people of Manitoba are recognizing.

Under this Budget, their major initiative is increased health care - that's the flagship of the Budget - a \$50 million Health Services Development Trust Fund for which they're going to contribute \$10 million in 1988. Madam Speaker, when I saw "trust fund," I went to my handy dandy Webster's Collegiate Dictionary to try and find out some definitions of what a trust fund is. One definition is: "To ensure the public that their money will not be misappropriated, misused or mismanaged." Madam Speaker, with that kind of a definition, the entire Budget ought to be in a trust fund because these people haven't been able to manage one dollar of it.

But there was another definition. It said, "A fund established is a permanent source of reserved capital, the earnings from which are directed for a specific purpose, presumably health care."

Well, Madam Speaker, in this case we have a \$50 million trust fund with \$10 million in it. Now, Madam Speaker, that kind of fits in with the management style of the NDP because they've started up something that already has a deficit. Madam Speaker, they're starting

off \$40 million in the hole in a \$50 million trust fund. So I suppose that kind of fits with the way they've managed other Crown corporations and other investments on behalf of the taxpayers of the Province of Manitoba.

Madam Speaker, I don't know how, if they're going to have a \$50 million trust fund, then put \$50 million into it. Don't try and fool the people and pull the wool over their eyes to the effect that you're going to put in \$10 million and have a \$40 million deficit.

If they're going to have a trust fund - and God only knows, Madam Speaker, that they should have a trust fund because they haven't managed anything else very well. They've lost millions of dollars everywhere else, they should have a trust for health care. The people of Manitoba deserve a trust fund for health care. The problem is you can't trust them, Madam Speaker.

What they've done, Madam Speaker, also, in this health care initiative, they say to the senior citizens of this province, people who have worked hard, who have now put aside a few dollars or have a modest pension upon which they can retire and perhaps enjoy a couple of months of winter holiday out of the country, somewhere where it's warm, because they've put in their time. They've worked to create the province that we have today and they've paid for it. Madam Speaker, they have said to those people, to the senior citizens of this province, I'm sorry, but you can't go on your holiday now, but if you do, you're going to have to pay an enormous premium to Blue Cross or some other private insurer because we're not going to cover your health cost if you're out of the country, because they think that anyone who can go out of the country for a holiday must be rich. That, Madam Speaker, is where they're wrong again.

They're wrong again. The people go out of the country, Madam Speaker, because they can't handle the winter any more, because they're physically incapable, and because they've put aside a few dollars or have a small pension upon which to operate. They can find places in Texas or Florida where they can go to relax during the winter time. But they said, no, you can't do that. We're going to cut down your health care. When they need it most, Madam Speaker, they're being cut down. That's something to be proud of!

Madam Speaker, what they have said - and in the Schreyer years, Mr. Schreyer, the then-Premier of the province, said to municipalities in this province, we will share growth revenues with the municipalities of Manitoba. Mr. Schreyer said that - under duress I might add, but he said it just the same. He said, Madam Speaker, that we will give 2.2 percentage points of provincial income tax to municipalities based on a per capita basis and we'll give 1 percent of corporate tax to those same municipalities to allow them to function.

Madam Speaker, every year that this government has been in office they have claimed they're increasing the grants to municipalities by that very same formula, money they would get in any event whether this government gave it to them or not. They were entitled to it. Madam Speaker, they have managed and managed well - much better than this government. Madam Speaker, those municipalities don't have any deficits.

But Madam Speaker, we have a situation now where this government has said, no, you're not going to get that money. We're going to cap you at 3 percent and

they're going to hold you hostage. As my colleague, the Member for Arthur, has said, they're going to hold the municipalities of this province hostage to the Federal Government, because the Federal Government hasn't given them what they asked for - not necessarily what they deserve, but what they asked for, Madam Speaker. They're going to hold the municipalities of this province hostage and they're going to cap their grant that they've enjoyed for the last 10 years.

Madam Speaker, on the question of city funding, I heard the Member for Rossmore, the Attorney-General, stand up and praise himself and the Member for Concordia and the Member for Elmwood about how great they were in providing \$10 million to the City of Winnipeg to build a bridge - the same government and the same Minister of Urban Affairs who previously said urban expansion is bad, uncontrolled growth in the suburbs is bad, we are not to do that; we want to control the city more and more and more; we want to put these controls upon growth in the City of Winnipeg because it's bad; we want to see the core renewed. But it's okay politically if the bridge affects them because that bridge, Madam Speaker, is going to open up all kinds of new development in the north end of the City of Winnipeg. Not only is it going to open up new development inside Winnipeg, it's going to open up development outside of Winnipeg, in East St. Paul, and it's going to open up new development in West St. Paul. Talk about urban sprawl, Madam Speaker - this bridge is going to contribute more to urban sprawl than it's ever going to solve.

Madam Speaker, it's okay when it's politically okay for them. Then, Madam Speaker, on top of that, they couldn't even do it right. I mean the city has budgeted for this bridge for umpteen years. They filed five-year capital programs with the Minister of Urban Affairs every year and they filed annual budgets. They negotiated a five- or six-year agreement on funding for capital projects, Madam Speaker, and they still screwed it up. They still can't get the money in the right year when the city is ready to build a bridge. - (Interjection)- They can't. The Premier wasn't able to manage the bridge north of Selkirk, the bridge to nowhere, Madam Speaker, and now the Minister, the Attorney-General, isn't able to manage this one.

I had to chuckle, Madam Speaker, on the free trade comments. We'll have an opportunity to debate free trade a little later in the Session. Madam Speaker, here we have a government that's opposed to free trade because the big labour unions are opposed to free trade. That's the reason. They're not opposed to free trade on any reasonable grounds; they talk about sovereignty rights, and so on. When the union movement says jump, the Premier asks how high? That, Madam Speaker, is the reason they vote against free trade.

There's one other reason why they don't want free trade, Madam Speaker. That is because they aren't able to control the economy. They want to control the economy; they want to control everything. That is the philosophical argument of the government, and that's what they want to do, but, Madam Speaker, they can't do that in the free trade society because trade will govern. Buyers and sellers will govern, not the government.

Madam Speaker, I find at the height of ludicrousness that we have a Premier who at a press conference,

before he leaves for Japan, says he's opposed - (Interjection)- No, this was a few weeks ago. Madam Speaker, the Premier stood up at a press conference and said I am opposed to free trade, it is wrong, and we ought not to do that. Then he got on a plane and he went to Tokyo and tried to sell our business to the Japanese, Madam Speaker. He went out there and said to the Japanese, come, we want your investment in Manitoba.

They're afraid, Madam Speaker, in their statements about free trade, about U.S. investment coming into this country and buying up all our businesses, closing them down and moving them back to the United States. They don't mind, Madam Speaker, inviting people from Hong Kong to come and invest in Manitoba; they're not concerned about that. They don't mind inviting people from Japan to come invest in Manitoba; they're not concerned about that. They're only concerned about our biggest trading partner next door, the people we do business with, the people we have something in common with. That, Madam Speaker, concerns them because they can't control them; that's the reason.

Madam Speaker, the Member for Rossmere was concerned about free trade, and his concerns, I guess, can be likened to those explorers of early Western Canada. Madam Speaker, if La Verendrye had said well, you better not go out there because you might run into a storm or you might get lost or you might take a wrong turn at the mountains or whatever, we'd never have Western Canada. We would never have the kind of economy we have, Madam Speaker. We'd never have a home for millions of people, for heaven's sakes. We might even have the U.S. cavalry come in here after our buffalo or something along that line.

Madam Speaker, this government is so bad - and I made this statement when I came the first time into the House. I said, "This government is so bad, I would get off my death bed to vote it down," and, Madam Speaker, I truly would. This government is so bad and has mismanaged the affairs of Manitobans so badly and the chicanery that they've used in bringing forward this Budget and the attempts to persuade the people of Manitoba that they're doing a good job is really a shame. They cannot be allowed to continue, Madam Speaker, and I will do the right thing for Manitoba tomorrow. I will vote for the amendment put forward by my leader to defeat this Budget.

MADAM SPEAKER: The Honourable Member for Lac du Bonnet.

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

I'm happy this evening to get up and to say a few words about the Budget and perhaps to use a different attack. I think we've heard the Budget condemned by that side about 15 or 20 times, we've heard it defended by this side by about 15 or 20 times, and really there isn't that much that you can say for it or against it that isn't new.- (Interjection)- Or against it, Jim. Just don't forget that.

Madam Speaker, before I get into the Budget, I would like to first congratulate all of the Manitobans who took part in the Olympics and I'd also like to congratulate the Olympic Committee for including curling as a demonstration sport this particular year. It would be

my hope, and I'm sure the hope of all Manitobans, maybe all Canadians for that matter, for that matter all curlers, that at a future Olympics, it will be there as a sport, not a demonstration sport but a permanent sport. I'm sure, Madam Speaker, that there are an awful lot more people who are engaged in the sport of curling than there are engaged in lugging.

Madam Speaker, as I'm going into the third Session, I've listened to speeches made in this House and one tries to adjust himself and to find his niche and to find a method of keeping people's attention while delivering your speech and at the same time not to provoke too much from the Opposition in the way of insults, etc., and I sometimes wonder about why perhaps municipal officials, when they come into this Legislature, they find it difficult for the first couple of years.

I know the Member for La Verendrye, I know he experienced it. I am sure that the Member for Charleswood experienced it, and it seems to me that when we have a convention or when we have a municipal meeting, that the idea of trying to convince those of the people who are arguing against what you are trying to promote is to try to keep his interest. You wouldn't want to insult him, because if you insult him, he turns off his listening device.

I know, Madam Speaker, that perhaps, with the members across the way, this would probably be a new tact if I tried it, because either they're so used to hollering back and throwing insults that even the Member for Charleswood, who spent many years in the City of Winnipeg, wouldn't have called or referred to the opposition in the council in Winnipeg to something that he was trying to promote, he wouldn't have referred to those people as thugs and charlatans as he's done here tonight to us, but I suppose this is something that you have to get used to in this Legislature, Madam Speaker.

Nevertheless, I for myself, I promise you, Madam Speaker, that I will resist that temptation to the utmost. I hope that when I leave this Legislature, perhaps at the end of this Session and perhaps, if I'm fortunate enough and the people see fit to put me back here perhaps at the end of next Session, that I can still stand up and say that, Madam Speaker.

I guess, Madam Speaker, that's a good opportunity as anything to perhaps raise a beef that I have in this Legislature. I have sat here for two years and listened to the Opposition across the way talk about the patronage that is doled out by this government. Madam Speaker, some of what they say is true. There is no question about that. Andy Anstett was a former member and he is doing good work for us now.- (Interjection)- He is doing good work for us as well. But why would they want to ignore what's happening in their own House, Madam Speaker?

I can tell you Madam Speaker, for the last two years, should I go into a parade at a fair or some celebration in my riding, I cannot put my car in reverse because I bump into the man who I just defeated at the election, probably earning more money than I do, but that's the kind of patronage they'd like to close their eyes to, Madam Speaker.

I want to say to you that he was hired by Jake Epp, the Minister of Health. Terrific, great.- (Interjection)- He's followed me here, has he? I'd like to warn the Minister of Health, Jake Epp, because on the side of

his car, the sign will read "Darren Praznik representing Health Minister Jake Epp," but as the parades and the fairs go on, Darren Praznik is in bigger letters and Jake Epp is getting smaller letters all the time, Madam Speaker.

So let's be a little bit reasonable in this House, Madam Speaker, when we're talking and we're condemning practices on one side of the House or the other. None of us are lily white.- (Interjection)- I grow good sunflowers too, thank you.

But, Madam Speaker, getting back to the matter at hand, I said that I didn't want to repeat what some of the members already said, and I'd like to bring another subject up in this House that I believe is of importance to so many people, not just to governments but to individuals as well. I'd like to talk a bit about the interest rate, Madam Speaker. But before I do, I'd like to go back into history a bit. They say that a civilization that does not learn from past mistakes is bound to repeat them, Madam Speaker. I think that quite often, when you look back in history, there might be something good to learn as well. It is with that in mind, Madam Speaker, that I would like to speak tonight.

If I go back to the Thirties, Madam Speaker, and I was a young boy in the Thirties, and I want to tell you right off the bat that I was fortunate enough that I was 18 years old when the war ended and I did not have to serve like so many gentlemen had to and so many people gave their lives.

Nevertheless, Madam Speaker, I grew up during the Thirties and had my experiences through the war years. If a person wants to take an economic overview of what happened through one's lifetime and take his experiences and the bit of intellect that God gives one individual to look at the things and see what you can pick up, what lessons you can learn, there's lots to be learned, Madam Speaker. I want to relate to you, Madam Speaker, the experiences that many people suffered through in the Thirties. Now for a young fellow like myself, they weren't unhappy times, but I know that for a lot of older people they were very difficult times.

A MEMBER: They didn't know any better.

MR. C. BAKER: Oh, no, the bellies were always full for us, Madam Speaker, and mostly, for children, if you've got a full stomach and clothes on your back, you're usually happy. But for many of the farmers of the day in the Thirties and for many of the businesspeople, there was suffering and there was deprivation. There were no roads, Madam Speaker. Today, we enjoy a good system of roads. We have a health care system second to none in the world. We have adequate hospitals for people when they get injured, when they get sick, Madam Speaker, and we have an education system that I would say is second to none as well.

All of those things, Madam Speaker, were sadly lacking in the Thirties. When a young fellow by the name of Tommy Douglas got into the Legislature, Madam Speaker, not into the Legislature but into the House of Commons, he was advocating to the House that there were so many things lacking in Canada. We had no roads, we had no hospitals, we had no schools,

and all of these things needed to be done. Madam Speaker, we also had at that time all kinds of unemployment, people riding the rods. I don't know if you know what riding the rods is, Madam Speaker, but I remember as a young fellow standing by the railroad track and counting 15, 20, 30, 40 so-called bums riding the rods at the time, riding the boxcars.

So we had a need, Madam Speaker. We had the employment, we had the resources; yet we couldn't see fit to put the people to work. Tommy Douglas, as a young man representing the Prairies, was advocating to the government at the time that we should get on with the job and put these people to work and create the roads, the schools, the hospitals that we needed. After he finished delivering his speech, Madam Speaker, the Minister of Finance at the time got up and he said to the young member from the Prairies: "My young lad from the Prairies seems to think that money grows on trees. Does the young man not know that there are deficits and that we have to worry about keeping our finances straight?," etc., etc.

Madam Speaker, there were deficits in the Thirties. There was no question about it. It seemed to have hamstrung everybody almost to the same extent that it does today because, every time we want to do something, we have to worry about the deficit.

I wonder, Madam Speaker, about the Honourable Minister of Finance and the difficult job he's got, because he's caught between a rock and a hard place. Should he want to increase the deficit, he makes difficulties for himself on one hand. On the other hand, should he want to reduce the deficit, should he reduce it too much, he would probably slow down the economy and he'd be worse off than if he didn't do that, Madam Speaker. So, like I said, he's caught between a rock and a hard place - very difficult decisions.

Madam Speaker, I would like to go back now again to the Thirties because at that particular time we came through the Thirties and, in 1939, war was declared. Madam Speaker, with the stroke of a pen, there was all kinds of money around. There was money to fight a war, Madam Speaker, millions if not billions of dollars.

A MEMBER: Are you advocating that again?

MR. C. BAKER: I certainly am not, but I'm suggesting to you that if we can do things to fight a war, we can do things to win the peace as well, Madam Speaker. I'm saying that we should keep an open mind and we should learn from the past. Certainly nobody is suggesting that we start a war or any kind of war. I hope that we've fought the last war, Madam Speaker, but there are things done during wartime that can be done during peacetime as well if we want to organize ourselves to do that.

Madam Speaker, when the war started, so many people who couldn't afford to buy their children a suit so that the young lad could go to first communion in a suit or get confirmed in a suit, the order of the day - and if you look at some of the first communion pictures from the Thirties, if you look at some of the confirmation pictures, you will see many young boys at that particular time wearing black denims and a white shirt, because their parents couldn't buy them suits. But, Madam Speaker, when the war started, we found the money

to put them to work at a dollar a day in the army, and they had their first suit of clothes, their first suit, matching pants and jacket. That should tell us something, Madam Speaker. We had no money to do anything during peacetime, but let a war start and we found all kinds of money to do everything, Madam Speaker.

We spent five years fighting the war, and it was difficult times. I mean, things were rationed, Madam Speaker. In the Thirties, you couldn't afford to buy sugar. During the war, you had to ration the sugar because there wasn't enough of it.

But, Madam Speaker, the point I want to make here is this. You would have thought that if we had a deficit in the Thirties and we couldn't do things, we were hamstrung and we couldn't do things, after we had fought the war - and what we had done, we had spent millions, in today's terms, probably billions, of dollars on this war effort. When the war was over, you would have thought that, my God, if we had this deficit in the Thirties and now we piled this war deficit on top of it, we should have been completely immobilized. If we couldn't do things in the Thirties, in heaven's name, after fighting this war, we should have such a deficit that it should have weighed down that we couldn't have seen our ways fit to even get started with our economy, Madam Speaker.

But, Madam Speaker, that wasn't the case. When the war was over, farmers who had carried debts right through the Thirties had paid their debts out. Their farms were paid out, Madam Speaker, and, in many instances, at \$34 an acre bought by the Federal Government to give to our boys who were fighting the war when they came back home.

Madam Speaker, not only that but, when the war factories were converted to peacetime to manufacture peacetime goods, there were line-ups waiting for these goods. What the war had created was such a purchasing power within everybody that you had to have a waiting list, you had to have a waiting line if you wanted to buy a car or a tractor. Many farmers remember - and there were stories at the time - that they would slip the dealer \$150 or \$200 under the counter so you would have preference over the next guy to buy the tractor, Madam Speaker. There were many instances of that, Madam Speaker.

So let's not get hung up on this idea that, somehow or another, we're so hamstrung in this world of ours by a deficit that we somehow have to create a depression or a mini-recession, or whatever you want to call it, Madam Speaker.

Madam Speaker, the gentlemen across the way, they profess a certain line of - I don't want to call it ideology because I think, if somebody came from Mars, they would have a heck of a time difference telling the parties apart. But they like to philosophize to us that we don't have any answers on this side, whatsoever. We don't know what we're doing, and that they have all the wisdom, and they know what they're doing on that side, Madam Speaker. If you listen, that's the idea you get. That's the best that you get. But, Madam Speaker, you know, I would like to take them at their word. I would like to believe that they know what they're talking about and that they would do those kinds of things.

Madam Speaker, they call themselves a Progressive Conservative Party. The two governments to the west

of us call themselves Progressive Conservative Parties. The one in B.C., I guess, is as conservative as you can make it, and if you start moving west, Madam Speaker, do you find a province where there is no deficit? Where is it? If you go to the east of us, do you find a province where there's no deficit? So we're all operating under the same handicap, Madam Speaker, where we cannot find enough money to do all of the things that need to be done in our country.

Madam Speaker, we're told that we spend so much money in Manitoba on interest rates, on paying interest, and I agree - we do spend an awful lot of money on paying our interest rate and I say it's a bad thing. I say we've got to get out of that position by paying this kind of interest rate and when we pay 13 percent, Madam Speaker, of our total Budget on interest rates, I say it's too high. But, Madam Speaker, if that's too high, what about 27 percent that the Federal Government pays? If we're too high at 13 percent, then that's twice too high, isn't it? So do you have the answers, Madam Speaker? Do the Conservatives have the answers? None of us have the answer to that particular problem, Madam Speaker. None of us have the answer.

A MEMBER: Yes, call an election.

MR. C. BAKER: I don't want to disappoint the people; otherwise I would call an election. I don't want to disappoint the people.

Madam Speaker, what we have to do in this so-called free world that we have is to get a different order of economics going. We cannot stand the high interest rates that we've been plagued with for the last number of years. - (Interjection)- I don't care what you call it. I don't care what the Member for Arthur wants to call it. You can call it whatever you like.

There are many people who agree with me. What I am talking about hasn't been said in this House and it needs to be said, Madam Speaker. I have watched farmers agonize over high interest rates, lose their holdings. I have watched businessmen go under. I watched our last implement dealer go under in Beausejour, and it was with a lot of difficulty, Madam Speaker.

Let them go into their own constituencies, Madam Speaker, and ask the farmers, ask the businessmen who have had difficulties over the last number of years, "What is the main problem with your difficulties? Why did you ever get in difficulty?" Madam Speaker, I guarantee you that they would hear the same answer I do at home when I talk to a farmer, when I talk to a businessman. It's the high interest rates.

Madam Speaker, we had interest rates during that period I was talking about right into the middle Sixties. We had a 6 percent cap on our real interest, a 6 percent ceiling at the banks, Madam Speaker. You could get money at 6 percent or less at the banks at that particular time. If you go and ask these men now what caused their problem, what was the main reason for them getting in difficulty, they would say it was that 17 percent, 18 percent and 20 percent interest rate, and even now the 12 percent and 13 percent interest rate is difficult to pay.

MR. C. MANNES: It had nothing to do with land inflating up to \$1,000, nothing to do with that.

MR. C. BAKER: I would suggest to you, the Member for Morris, that there was a lot to be said for the high land prices and many of us didn't pay, some of them did, but the main reason, Madam Speaker, businessmen didn't pay high land prices . . . - (Inaudible)- . . . Why did they go broke? Ask a lot of them.

Madam Speaker, ask any farmer who made a budget based on 6 percent or 7 percent or 8 percent interest rate, figure out what he had to pay in interest, figure out what he was going to get for his commodities, what the expenses were, and he figured out he could make a living. He could make a go at that. He could meet his payments at the bank. He took that to the bank manager and sure they signed a deal.

What happens when you base your budget on 6 percent or 7 percent or 8 percent interest rate, then it goes up to 18 percent, Madam Speaker? The best economist in the country can't figure out that one. There's no way you can ever get out of that. Yet, today, some of those same young farmers in business are branded as bad businessmen or bad farmers or bad managers. Madam Speaker, nothing could be further from the truth.

I would suggest to you that -(Interjection)- I don't know whether they would justify or not and I don't ask them to justify them. I don't think anybody can justify them, Madam Speaker. I think there are times in this House when we should all realize that there are some problems that we can come to some common understanding on, Madam Speaker. I would suggest to you that the United States will never get out from under its deficit; we won't get out from under our deficit. All of the provinces, whether they're an NDP Government or a Conservative Government or Liberal Government will be labouring under the same kind of a problem, Madam Speaker.

As a matter of fact, Madam Speaker, do you think, does anybody ever think, does the Member for Arthur ever think that the Third World countries will ever be able to pay off their loans that they've had at the present interest rate? Be honest. I wouldn't want the Member for Arthur's opinion. I don't believe that would be the solution. Just changing the people on this side of the House wouldn't solve their problem, Madam Speaker. If I really thought it would, I would vote for it tonight, but you would be saddled with the same interest rates that this government is. So don't lead the people down the garden path saying that you have all the magic on that side because you don't have it. Be honest with yourselves, be frank with yourselves.- (Interjection)- I'll have a rest, Madam Speaker, while they're carrying on . . .

A MEMBER: Get out of the gutter, Clarence.

MR. C. BAKER: Gutter? Done? You're finished yet?

Yes, Madam Speaker, I don't pretend that I have all the answers, but I think we all experience things in life. We all go through life and we all gain some experience and sometimes we have some hindsight on things. I know that the members opposite when they think things over will agree with me, maybe they won't say so in public, Madam Speaker, but if there is one thing that we have in common in this world of ours, it's that we are all paying too much for that paper dollar, that means of exchange.

Money never did anything by itself, Madam Speaker. It's that entrepreneur, it's that labourer, it's that person who takes that money and puts it to work. It's a darn shame in this country, Madam Speaker, when you have farmers who produce goods coming out of the ears, mountain of goods - not that the world doesn't need, because farmers in Canada haven't got a big surplus like everybody is talking about.

As a matter of fact, the last three or four years we've been selling more grain than we ever have, Madam Speaker, and all of Western Canada, all of Canada, is benefiting from it except the farmers. Madam Speaker, there was nobody along the whole chain of getting that seed planted into the ground, delivered ultimately to the customer, whether it's in Europe or Japan or wherever it should be, there's nobody there who takes a loss except the farmer, Madam Speaker. The railroad worker gets his, the railroad gets their money, the grain handlers get their money, the shippers get their money; everybody gets it except the farmer. It's a darn shame, Madam Speaker, that there are so few farmers - you would think that we could afford to subsidize them quite easily and keep them viable and keep them as business -(Interjection)- Yes, I did get my cheque.

Madam Speaker, I want to tell the Member for Arthur that I'm grateful for the cheque. I thank the Federal Government for it, Madam Speaker. Most farmers are appreciative. They think it is not enough, Madam Speaker, but they're grateful for it. I will give credit where credit is due.

But I want to tell you something else, Madam Speaker. I will also condemn where there is need to condemn, because with the trend that I see in this country where this tripartite stabilization, where they're trying to unload their responsibility on the provinces, Madam Speaker, will ultimately lead to the breakup of Canada.

Madam Speaker, I just want to make you aware of what is happening at the present time. We had a group of farmers who produced beans in Manitoba, who came to the Minister of Agriculture and said to him - will you participate in this tripartite agreement with the Federal Government? Of course, Madam Speaker, there's a limit to what provinces such as Manitoba and Saskatchewan can become involved in; so when we met with these farmers I was fortunate enough that the Minister of Agriculture, who called me into the meeting with him, met with these farmers. We said we sympathize with you and we know that you could use the subsidy. You could use the help. But after all, we have pea producers, we have lentil producers, we have all kinds of producers of special crops that the Federal Government doesn't want to get involved in. If we are going to pay -(Interjection)- That's right. That's right, and I advised them not to. But they don't want to get involved, Madam Speaker, in the other crops. They don't want to subsidize the bean producers. They don't want to subsidize the canary grass producers.

So Madam Speaker, they came to us and they said would we be willing to pay the administration if they would put the two-thirds in, if they would pay the provincial part and the farmers' part. That's the debts that some farmers are going to, because if the bean producers are subsidized in Ontario and if they're subsidized in Alberta and not subsidized in Manitoba, they realize that they will be in a very bad competitive position, Madam Speaker. So they were willing to pay

the whole two-thirds to have a bean production program, Madam Speaker.

That's what I mean when I say that the tripartite agreement as far as grains are concerned will lead to ruin in Western Canada, Madam Speaker.

MR. A. PANKRATZ: Clarence, I'm surprised at you. Now I'm surprised at you.

MR. C. BAKER: Yes, I'm surprised at you, Member for La Verendrye, too, because I'm sure that if you were in government you wouldn't do any different, Madam Speaker.

MR. G. FINDLAY: Give us a chance, sir.

MR. C. BAKER: You have a chance in Saskatchewan to show your stuff, the Member for Virden.

A MEMBER: But we're in Manitoba, we're in Manitoba.

MR. C. BAKER: Yes, but you have a chance in Saskatchewan to show your stuff and you are not doing that well down there.

Madam Speaker, I'd like to talk about something else and I'd like to say again that I think that the Minister of Finance has done an excellent job of preparing the Budget under very difficult circumstances. Madam Speaker, we've increased spending on health, and that is a field that I think that all of us here have a particular worry about.

I want to tell you about a situation that I experienced personally, along with my board in Beausejour, when I was the chairman of the Health Board. We had difficulty trying to keep our so-called drugs, patient-aid drug quota, in line with the provincial average, Madam Speaker. In trying to find out what was wrong, why we were out of line, we found out that because of the modern day drugs and the high prices, this was what was getting us into difficulty. (Interjection)- I just don't know how the Member for Minnedosa knows about homebrew in Brokenhead, but I guess he was there many years ago. I want to say to him that we have a clean-living society out there right now and there's no more homebrew produced. But if the Member for Minnedosa should ever visit Beausejour again, he would have to pay the taxes and drink government stuff.

But Madam Speaker, what I wanted to relate to you were the difficulties that many hospital boards are experiencing in meeting the present day drug quota. They have a situation, Madam Speaker, and I can relate to you perhaps this kind of an example: If you had an infection, Madam Speaker, if you went to a doctor and the doctor examined you, prior to this modern era, prior to the last year or two, Medicare would have paid for a visit to the doctor at the beginning. At the first visit, he would have prescribed a drug for you. You would have gone to the drugstore and it would have cost you \$10 or \$15 for a sulpha drug or whatever it would be, a penicillin, whatever it would be. You'd take it for seven or eight days, visit a doctor again and he would tell you that you don't have to take it any longer, that your infection is cleaned up, or else he'd have to re-prescribe the drug in case it wasn't.

Today, Madam Speaker, those same drug costs could escalate. Well, if you add up the costs - supposing it

was \$12 for the two visits, that's \$24.00. If you paid \$15 for the drugs, you're looking at a \$40 care bill to clean up an infection with a particular patient.

Today, Madam Speaker, if the doctor so chose and you wanted to clean up your infection in a hurry, he could take you to a hospital. He would put you on intravenous, Madam Speaker. You'd stay in hospital three or four days and you'd go home almost certain that your infection is cleaned up. But I want to relate to you the difference in cost, Madam Speaker. You'd have the two visits to the doctor that you had before. Now if you spend four days in the hospital you'd have four or five visits to the doctor to be paid for. You would have, along with that, the cost of the hospital, about \$120 a day or \$200 a day - whatever it is. I don't know what it is now, Madam Speaker. I haven't been on the board for the last three years. You'd also have attached to that this intravenous drug that they use, and they would need three bottles at \$80 a bottle so you'd have to pay \$240 for the intravenous drug for three days, Madam Speaker.

So what you had as a \$40 infection before could now be turned into a \$1200 or \$1300 infection, \$1200 or \$1300 cost, Madam Speaker. It's these kinds of costs that the Minister of Health has to deal with. It's a challenge - it would be a challenge for whoever was involved in the health care in Manitoba, Madam Speaker. It's a difficult challenge.

You have, on the one hand, drug companies promoting this kind of a drug and telling the doctors about its merits, how good it is, what kind of a miracle drug it is, and their desire to provide their patients with the best kind of care. On the other hand, you have politicians like we are in this House over here trying to say to them, look, use the most reasonable method even if it takes a day longer, use the most reasonable method. Madam Speaker, those are some of the real problems that we have to deal with.

Our educational system, for instance, and we've put more money in education, and I wonder too how far we can go in the educational field. Today there isn't anybody who is kept out of school. Everybody is allowed to go to school. I hear members from across the way questioning the Minister of Education about, can certain people now get their children placed in a certain school, etc., and be looked after? That too, Madam Speaker, is a cost that should worry us all. How much do we want to spend to maintain a school system?

We have a situation now in many instances where you have a child in the school, and you hire one individual to look after him, Madam Speaker. You have one individual to look after him. You're paying one individual full-time to look after one student. It's terribly costly, Madam Speaker.

I have a daughter who said to me that she spent - a couple of years ago she was working at a school and she spent literally days with her arms locked around a certain child because the child was in a fit and was throwing herself around. To keep the child from hurting herself, this was the way she restrained her. So there's tremendous demands, costly demands, Madam Speaker, being put on our educational system. I think too, as legislators, we should be discussing these kinds of things, seriously discussing these kinds of things, not in any partisan way but in a genuine way to do the best job for the students and for the children, and at

the same time, to do the best job for the taxpayers, Madam Speaker.

MR. F. JOHNSTON: Don't mislead the taxpayers then.

MR. C. BAKER: I would hope that the Member for Sturgeon Creek at least wouldn't suggest that I was misleading the taxpayers, Madam Speaker, because I challenge him to show me anything that I have said tonight yet where I have misled the taxpayers. The trouble, Madam Speaker, with the members opposite is that they want to drive a person to making all kinds of charges and calling all kinds of names because that suits their debates somehow or other. I'm trying to elevate the debate to a level perhaps that people in the gallery, even if Darren Praznik were there, that maybe he'd enjoy it, maybe he could learn something from it.

On the lighter side, Madam Speaker, I would suggest that some of the members opposite, like the Member for Morris, who is usually sitting and smiling beside the Member for Sturgeon Creek, is what brightens up my day occasionally.

Madam Speaker, I don't know how time I have left.

MADAM SPEAKER: The honourable member has six minutes remaining.

MR. C. BAKER: My gosh, Madam Speaker, I don't think we want to get that kind of a debate in this House. Some members are suggesting that we discuss Jimmy Swaggart.- (Interjection)- Did you see the member, Jim Ernst? He starts it and then leaves the House. No, there he is, he didn't leave.

Madam Speaker, I think that perhaps I could just wind up by saying that I've enjoyed talking here this evening. It's the first time in this House that I've felt comfortable talking because I really feel that this is an important job we're doing here. And I feel that sometimes so often we all get into the position where we want to fill in time by just putting fluff across this floor, Madam Speaker. I think that perhaps when we survive this vote tomorrow - as we will - I can assure them that during the rest of the Session, Madam Speaker, during the debates on the Estimates and the Private Members resolutions, that again I will be given the opportunity to address this Assembly.

All that is left for me now to do perhaps, Madam Speaker, is to thank the members on this side of the House and the members on the other side of the House for so graciously listening to me this evening.

Thank you very much, Madam Speaker.

MADAM SPEAKER: The Honourable Member for Virden.

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

It is rather interesting to get up and speak after the Member for Lac du Bonnet has just told us how he's scared of the candidate who's still out there working against him because he knows that he's not doing the job that candidate could do if he was in this Legislature.

Madam Speaker, the member said that we have an important job to do here and I agree with him. We have a very important industry to represent when we're

in here, Clarence, or the Member for Lac du Bonnet, the agriculture industry.

I'm somewhat distressed, No. 1, by the Budget and the lack of recognition of the industry of agriculture. In fact, I'm quite amazed that the Minister of Agriculture stood up here on March 1 and he spoke for 15 or 20 minutes and he barely even mentioned that there was an agriculture industry in this province. Then as he went on a little later, he started to try to compare how good they were doing in this province compared to Saskatchewan and Alberta and I'm going to put some of the true facts on the record here tonight.

Madam Speaker, this afternoon the Premier stood up and he addressed us and he said we have an extra \$284 million to spend in this year's Budget. And he mentioned his priorities - health, education, community services and debt service. The Minister of Agriculture, the Member for Lac du Bonnet and the Member for Interlake all know that the industry of agriculture has some severe problems. It's got some very severe problems that are not going to go away, but yet this industry gets very little recognition from that side of the House. The Minister of Agriculture talks about it very little. The Member for Lac du Bonnet just talked here for the last 40 minutes and said very little about the industry of agriculture - very, very little. He talked about what happened in the 1930's, but that is not as relevant as what is happening in the 1980's, Madam Speaker.

Madam Speaker, the Minister of Agriculture some few days ago started his address, and I will quote what he said. The Minister of Agriculture on March 1 said: "I had some fear that perhaps my own Department of Agriculture might be eliminated totally." Well, there's a recognition by that member, by that Minister of Agriculture, that he has no say in Cabinet. He has no clout with his colleagues in Cabinet. He's probably not even in the room when the decisions are made, Madam Speaker. I will address some issues later on where he obviously didn't say very much about how these decisions were going to affect the industry of agriculture here in the Province of Manitoba.

Madam Speaker, the Minister of Agriculture made some comparisons with the expenditure of agriculture in this province with Saskatchewan. He said, in 1985, Manitoba spent about \$2,100 per farmer and then in 1987, two years later, they've increased it to about \$3,100.00. It's an increase and it's been spent mostly in salaries, some for the school tax rebate - and I want to talk about that later - but he has the courage to say that Saskatchewan spent \$4,400 per farmer in 1985 and, in 1987, they spent something less than \$3,000, Madam Speaker.

The truth of the matter is, if the Minister of Agriculture had the courage to put all the facts on the table, he'd have found that they spent some \$5,700, Madam Speaker. What the Minister of Agriculture did was take the Estimates from Saskatchewan and divide it by the number of farmers, \$133 million divided by some 63,000 farmers, and came up with his magic figure. But he failed to recognize that there was some \$228 million of additional money put into the agriculture industry by the Province of Saskatchewan for such programs as stabilization, roughly \$10 million; fuel rebates, \$48 million alone; interest Rate Rebate Program, \$18 million; and a production loan program that is a benefit in 1987

to the Saskatchewan farmers of some \$160 million, Madam Speaker. The Minister of Agriculture chose to ignore those contributions to the industry of agriculture in Saskatchewan.

Madam Speaker, the Member for Lac du Bonnet just mentioned losing his last implement dealer in his constituency. Madam Speaker, that member should go out to Saskatchewan and talk to some implement dealers and some farmers, and you will see that the industry is somewhat more upbeat there. There's money changing hands, because there's money coming into the farmers' hands.

That \$1.1 billion of money put into the agriculture industry in Saskatchewan - and the Member for Lac du Bonnet puts his thumb down - \$1.1 billion, an average of \$19 million per farmer in the Province of Saskatchewan, and he says, thumbs down. Madam Speaker, that Member for Lac du Bonnet doesn't recognize the reality that is affecting the agricultural industry today.

MADAM SPEAKER: The Honourable Member for Lac du Bonnet, on a point of order.

MR. C. BAKER: Madam Speaker, I just wanted to correct a remark in the debate by the Honourable Member for . . .

MADAM SPEAKER: Order please, order please.

MR. C. BAKER: He said that I had my thumbs down indicating that I was . . .

MADAM SPEAKER: Order please, order please.

MR. C. BAKER: The reason I had my thumb down was because the member . . .

MADAM SPEAKER: Order please, order please.

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

MR. C. BAKER: I had my thumb down because there are more implement dealers in Saskatchewan gone broke than there are in Manitoba.

SOME HONOURABLE MEMBERS: Oh, oh!

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

May I remind the honourable members that to rise on a point of order to make a statement is not in order. The Honourable Member for Virten.

MR. G. FINDLAY: Madam Speaker, I have in front of me here a survey that was done in Saskatchewan by the Western Producer, published on March 3, 1988, just a few days ago. They do, once a month, a survey of costs of fuels, fertilizers and herbicides in the three prairie provinces in Western Canada.

Madam Speaker, fertilizers and herbicides, some are up and some are down; it's no great difference, province to province. But on fuel costs, one of the areas that I've talked on numerous times, is the area where Manitoba is suffering badly, regardless of how the American border is kept open, regardless of how the

threats of the Premier that the gas prices should be brought down. But, Madam Speaker, I think it's worth noting that these figures were established by a survey that I would say is very reputable, and it says that in Manitoba, fuel - we'll just take diesel prices - diesel prices in Manitoba on February 17th, the day the survey was done, was 37.1 cents a litre; Saskatchewan, 36.5; Alberta, 27.7. But, Madam Speaker, in Saskatchewan there is a 7 cent a litre rebate - that brings the Saskatchewan price down to less than 30 cents a litre. Alberta, there's a 9 cent a litre rebate - that brings their diesel price down to less than 20 cents a litre, and Manitoba still sits at 37 cents a litre.

That's where the millions of dollars and assistance to the farm community have occurred directly, by reducing the operating costs of those farmers, Madam Speaker, and I would say for a grain farmer it works out to around \$2 to \$3 to \$4 an acre, a substantial level of help. And the previous Minister of Agriculture in this province caused, just ignored this problem, and the present Minister of Agriculture continues to ignore it. Madam Speaker, it's putting our farmers in Manitoba in a more serious, negative situation, year-by-year, as time goes by because regardless of how these members over here look at the agriculture industry and choose to ignore it in the Budget, and choose not to speak to it when they're up addressing the Budget, the agriculture industry suffers from lack of sufficient price in the export market.

The reason for that lack of price is because of a war that is going on between the United States and Europe. It's a war due to high subsidization, Madam Speaker, and there is an effort under way or an effort under way to try to decouple or decrease the amount of subsidy that's going on between - for farmers in the United States and Europe.

Madam Speaker, one of the most significant elements in being able over the next five or ten years to reduce subsidization, extensive subsidization in those parts of the world, is the result of what's going on right between Canada and the United States, the free trade agreement. It's a very significant document for both Canada and the United States. It's a very significant document for the ability - as an example, for GATT to use in breaking down trade barriers. It's a significant document that will be used in future years to break down this high subsidization philosophy that exists in the United States and Europe.

Madam Speaker, that's a very significant document. It will go a long, long way to solving some of the real problem that farmers have, in terms of the high cost of operating.

But, Madam Speaker, there is a little bit of optimism on the horizon. Grain prices look like they may creep up in the next three or four years. Beef prices are up a little bit right now; pork is down. But, Madam Speaker, I think that it's too early, way too early to get too optimistic, because I know that fertilizer dealers are hurting, chemical dealers are hurting, implement dealers are hurting. Massey-Ferguson just closed, went into receivership - they're finished. It's going to cause some dealers to close their doors across Western Canada, there's no question about it.

But, Madam Speaker, what's going to happen at the farm level for the next three or four years? I'm sure the Member for Lac du Bonnet will agree that if our

wheat prices, our barley prices increase, 5 percent or 10 percent or 15 percent over the next two or three years, we know that our cost side of operating is going to continue to rise too, because these companies are going to raise the price, because they've been losing money too, so that the actual amount of money the farmer has to live on, his net operating return, is not going to increase. At the the same time, the Federal Government subsidies are going to start kicking out because the formula will kick them out. So the farmer is not going to be in any better position, he's not going to have any more spending money, and he is not going to fuel the economy anymore in the next two or three or four years than he has in the last two. We're not out of the gloom and doom cycle. In fact, some of the toughest years, the toughest times, may still be ahead, Madam Speaker.

Madam Speaker, just getting back to the Minister of Agriculture and his comparisons of the provinces, he chose completely to ignore Alberta, other than saying that they spent \$4,500 per farmer, when in reality the figure is really \$8,800 per farmer. He only chose to recognize Alberta spending \$250 million in their Ag budget last year, when in fact they spent \$502 million. Madam Speaker, again he chose to ignore fuel rebates in Alberta, some \$50 million; fertilizer rebates of some \$40 million; crow benefit offset, paid directly to the livestock industry for feeding barley in that province, some \$47 million. Private line telephones - the Member from Concordia would be quite interested in hearing that the Province of Alberta puts \$18 million into supplying private line telephones in the Province of Alberta in the last Budget.

Madam Speaker, they also contributed about \$15 million to tripartite stabilization programs in the Province of Alberta; all has done a significant amount to improve the viability of the farmers in those two western provinces and Manitoba continues to be in some severe level of difficulty. Madam Speaker, when I say severe level of difficulty, I mean exactly that. Stats Canada has published the ongoing figures of farm costs, farm income. Madam Speaker, I've mentioned these in the House before, but they deserve repeating because when the Budget is in front of us and Agriculture gets very little consideration, considering the statistics that have been accumulated for Manitoba in the last year, I think it deserves repeating.

Madam Speaker, when you look at the net realized income on a per farm basis, in 1987 as a percent of 1986, the national average was an increase of 16 percent. Manitoba, this province declined 4 percent; a 4 percent loss, the lowest in all of 10 provinces of Canada, Madam Speaker, whereas Alberta was plus 15 percent, Saskatchewan plus 36.

Madam Speaker, projections have been made for 1988 which show that the net realized income with the farmers of Manitoba, on a per farm basis average, will decline an additional 19 percent. Provinces to the west of us will be close to zero because of the additional input that their provincial governments have been giving. Madam Speaker, if the farm income, net realized farm income, declines another 19 percent in this 1988 year, it'll have a serious impact on the amount of buying power the farmers have, a serious impact on the jobs in our rural communities and will lead to further depopulation of the rural communities. There is no question about that.

Madam Speaker, not only did they just ignore those data in the Budget, but the members who speak on agriculture or come from an agricultural background again choose to ignore it. Madam Speaker, Manitoba has, across Canada, the highest bankruptcy rate in 1987 on a per thousand farmer basis, 1.72. That's just the tip of the iceberg because there have been many hundred other farmers who have, for whatever reason, had to quitclaim their property or just quit farming because of the economic circumstances. It's a serious problem that we have and yet there isn't sufficient answer locally here to address it.

Madam Speaker, another statistic that has come out is that Manitoba farmers have the second highest loan default record in Canada. The largest lender in Manitoba, the largest creditor that farmers have, says that the loan default level is at 11.6 percent, Madam Speaker. There is only one province in Canada higher than that, and it's not something that we want to be proud of. Madam Speaker, if our net realized income declines like predicted for 1988, I'm afraid to say that figure will surely rise in 1988.

Madam Speaker, I was also quite amazed to hear, on March 3, the Minister of Finance, in answer to a question from my leader, make the comment that incomes have grown in Manitoba year over year. It says, in fact, income growth in Manitoba is better than every other province in Western Canada. He surely was not looking at the net incomes of farmers, Madam Speaker, and if he wants to find out what it's all about, he should refer to publications put out by the Department of Agriculture dated back in November when the net income the farmers are working with is around \$12,000.00. That's an income that the family has to have their living out of; it's an income which they have to make their capital expenditures out of, Madam Speaker, and I can assure you it is not easy to do it with that kind of income.

So what did this cause farmers to do, Madam Speaker, is to seek off-farm employment. Madam Speaker, in my area, I did a small survey and 70 percent to 80 percent of the farmers have significant off-farm income to subsidize their farm right now, and this has grown significantly over the last three or four years; and by off-farm income, I mean where the husband or the wife has either a part-time or a full-time job off the farm.

What essentially has happened over the past few years is that as farmers have been forced to do this in order to make a reasonable living to keep the farm alive, they have gone to their town or the next town, or maybe 50 miles away, or maybe they've bought a truck and are driving on the highway doing extra work; in other words, keeping two jobs when, in fact, they should be at home farming, making a reasonable living and let somebody else do that other job. They have put somebody else out of a job by doing that and it is not something they can stop doing in the very near future because the situation is not likely to go away.

Madam Speaker, I am somewhat disturbed by the attitude of the members opposite, and particularly the Minister of Agriculture, since he took his office about five or six months ago. I have yet to hear him come out with a positive initiative that he is introducing, saying this is my policy. What he does is he comes out against things - he's against this, he's against the next thing.

Madam Speaker, he came out, the first statement he made, he's against plant breeders' rights. He's against it because that's the philosophy of the former Minister of Agriculture. He doesn't bother to think of the potential benefits that might occur from plant breeders' rights, Madam Speaker. He doesn't recognize that the seed growers are fully in favour of plant breeders' rights and the plant breeders themselves are in favour of plant breeders' rights because it will mean more money for research, and that's what we need more than anything else in our agriculture industry is research to find new crops, better yielding crops, more disease-resistant crops for which there's a market somewhere in the world, Madam Speaker.

He also comes out against the tripartite stabilization, Madam Speaker, even though we have it for hogs, we have it for sugar beets because of the long battle we had last Session in here. He says it's okay for them, but the bean growers can't have stabilization. He says no to them. So the bean growers have had to go into a situation where they fund two-thirds of the program, Madam Speaker. Alberta and Ontario have joined the Tripartite Bean Stabilization Program, but Manitoba producers are denied that equal opportunity.

Madam Speaker, there is one thing we need in this province is more and more diversification into crops like beans that we have the climate and the soil and the type of farmer that can grow this crop. There is a market for them in the world, but I tell you, Madam Speaker, if our farmers are not kept somewhat competitive with other producers in Canada and other parts of the world, they will not be able to stay in the industry.

Madam Speaker, this Provincial Government seems, time and again, to say no to whatever any farm organization comes forward with. We now have some recognition from the Minister of Agriculture that our feedlot industry is in trouble. It's only been getting into very serious trouble for about two full years when the calves have been leaving the province in ever-increasing numbers to be finished somewhere else, Madam Speaker. So we lose the jobs of finishing them here, we lose the jobs of slaughtering them here, and the processing that goes with the slaughtering industry, Madam Speaker.

Madam Speaker, the feedlot industry is very important to Manitoba and very critical to all of Western Canada, but what we see developing is Manitoba losing out rapidly and continually. Unless something is done very, very soon to put us on a level playing field with the other provinces of Canada - and I see the former Minister of Agriculture smiling down there. He knows what we're talking about, but he chose to do nothing when he was in that position and the government continues to decide that well, we'll give some lip service to a few meetings around the province, but I doubt very seriously if they have any real desire to put Manitoba producers on a level playing field. Madam Speaker, I use the words "level playing field" because it's a significant thing that must be done.

Madam Speaker, we have a tripartite program that's in place in Alberta, Ontario and Prince Edward Island. Alberta right now is bottom loading with a Crow offset subsidy that works out to about \$30, \$40 an animal. It's something that is not supposed to be there because the agreement says no bottom loading. Ontario is saying

that, well, if we can't get all the provinces in Canada on the same level footing, we're going to start bottom loading with some sort of feed subsidy program. Saskatchewan right now has a provincial plan. It's a pretty good plan for attracting cattle out there. They have a stabilization level of about \$1.64 a carcass pound. Manitoba's beef program here is around a little over \$1.30, \$1.32, somewhere in that area - far below the \$1.64, Madam Speaker - so you can see why we can't compete.

Madam Speaker, this is a golden opportunity right now for Manitoba to come forward and say, okay, we'll get in and negotiate with the other provinces on a stabilization program that will put everybody on a level playing field.

Madam Speaker, I know that Saskatchewan has to be in a position where they have to start scaling down their program because they're paying out a lot of money. They paid out \$7 million to the beef producers in the fourth quarter of 1987, and that \$7 million is in producers' hands and will be funnelled back into the economy of Saskatchewan and funnelled back into the beef industry in that province. A lot of that money has found its way into Manitoba to buy our calves and they're going out by the truckload everyday around the 900-pound weight right now, and they're going to go out to Saskatchewan and be finished and some of them will come back to Manitoba for slaughter but not very many of them.

Madam Speaker, unless this province decides that they want to be in the beef industry in the next two or three months and decide to talk turkey in terms of the tripartite program, I think that we, in five or six years from now, will have no animals finished in this province. I've talked with a number of producers who have been small feedlot operators. They feed 100, 200, 250. They were grain farmers - they do this in the wintertime - and they told me this is the last year that they're going to be able to finish any animals. Many of them are gearing up with the idea that next fall they'll be buying calves. You'll be backgrounding them through, keep them for three, four, five months and then sell them to Saskatchewan if that's where the market is, sell them to Ontario if that's where the market is, and send them out of the province for finishing. That's the program that's developing out there. We're forced to do it for economic reasons, Madam Speaker.

You can't blame a farmer, when he's offered \$1 a pound for 900-pound steers, you know I can't blame him for shipping them out now. Why should he feed them out for another three or four months, spend another couple hundred dollars on them and maybe lose a hundred dollars at the same time? The opportunity is there to make a dollar; he has to do it. Madam Speaker, in the long term, if we're forced to do it that way, the Province of Manitoba will end up being the loser.

Madam Speaker, another thing that distresses me about the attitude of the Minister of Agriculture is to completely and continuously speak against free trade. Madam Speaker, as I mentioned earlier, it's a significant agreement that has a number of opportunities for the meat sector of agriculture in Manitoba and for the grain sector. The control commodities to supply management sectors are protected. They have so much protection there I don't know how they could ask for anymore,

Madam Speaker. The economic opportunities that are going to be denied by this stance that Ontario told us to say that we're against it because Ontario said it, we're against it because the labour unions say we're against it is not going to help the agricultural industry of Manitoba at all, Madam Speaker.

Another area that I would like to make some comment on is that really what has happened in the last two years, in terms of any initiatives from that side of the House in the agricultural area, have really been programs which we have talked about for some period of time. I would sure like to see some real initiatives from the Minister of Agriculture himself.

Madam Speaker, they brought in the School Tax Rebate Program last year. We've been after some alleviation of school tax on farm land for a long period of time. It was one of our election promises. Even though the former Minister of Agriculture tried to say it was theirs, it really wasn't. Madam Speaker, the program put some \$12 million back into farmers' pockets, and that is good.

But, Madam Speaker, the way the program was administered was an absolute nightmare for the municipalities. Municipalities were forced to do an awful lot of paperwork, paperwork that never needed to have been done because the rebate could have been done at the time the notices were printed with very few corrections after that. Madam Speaker, most reeves that I have talked to have said that their secretaries had to spend about a month of their time, in total, dealing with this program because of all the unknowns and uncertainties and variations that came across their counter - a month of their time. I'm sure that most of them are paying their secretaries roughly \$1,500, and we have 100 municipalities. That's a lot of money that was taken out of the municipalities' pockets simply to administer a program that didn't need to be administered with that kind of confusion.

Madam Speaker, we told the Minister of Agriculture that it didn't need to be done. They met with the municipal secretaries. The secretaries told them of a much more streamlined and simpler process of administration, but they chose to use the political route to try to get credit for what they were doing. Madam Speaker, at the same time, they showed strong discrimination against wives, they made discrimination against the widows, and they discriminated against retired farmers. They haven't addressed those problems yet and I hope that they will give some real consideration, particularly to the wives and widows when it comes time to give out this rebate because wives are farmers as well as men.

I mean there's nothing that I saw written anywhere that men only can be farmers. Wives can be farmers too, equal partners. That's the way it is out there, Madam Speaker, but the former Minister of Agriculture didn't recognize it. He chose to take the political route, to try to spread that \$500 over as many bodies as possible and said he doesn't want the landowner to have it if he's not farming. He says it should go to the renter. Madam Speaker, I challenge him to tell me how many renters really qualified, because they already owned land where they fully qualified for the \$500 and wouldn't get any more for the land that they rented. There was quite an inequity in existence there, Madam Speaker.

The other thing I'd like to make mention of, Madam Speaker, is that although we have a rebate of \$500 per farm in 1987 and I would assume, the way the Budget was read, that we have another \$500 per farm maximum in 1988, but slipped in along the way without any comment from the Minister of Agriculture was an increase in the foundation levy from 43 to 46 mills, the first increase since 1983. An increase from 43 to 46 mills is a 7 percent increase, Madam Speaker, in the foundation levy, so they're giving it back to the farmers in terms of rebate on one hand but they're taking it away from them by increasing the foundation levy.

In addition to the foundation levy, Madam Speaker, the special levy will increase too, because this government has chosen to offload education costs back onto the local school boards who have to get the money from local municipalities through the special levy. I would dare say that will increase at least 5 percent, and it will vary from municipality to municipality.

So if you add up a 7 percent increase in foundation levy, a 5 percent increase in special levy, you could well have a 12 percent increase in education tax on farm land in 1988, Madam Speaker. If you take a rough average farm of around two sections of land - not a terribly big farm, the kind of size that's needed to survive economically - you have an increase in education costs of approximately \$300, the 12 percent times roughly \$2,400 of education tax they're now paying.

Madam Speaker, they give you back a rebate of \$500, but they increase the taxes by \$300.00. You are only ahead by \$200 this year. Next year, they'll get it all back by increasing the foundation levy. It's a shell game, Madam Speaker, an absolute shell game, and I'm sure they're going to go back and ask the municipalities to do all this administration again at no return to the municipalities. Madam Speaker, it's just an absolute deceitful way to try to run a government. They say they're helping and, on the one hand, they're turning their back on the farm industry.

Madam Speaker, just before I conclude, I would like to say to the Minister of Agriculture that there are a large number of very important decisions that need to be made for this industry in the next short period of time, the next couple of years, that will affect the industry for 10 or 15, maybe 20 years.

Madam Speaker, we have intense competitive action between our provinces across Canada, and the industry is being drawn away from Manitoba, beef, our controlled commodities. We have B.C. saying they want out of the national agreements because they want more of the industry going their way, and the province that they are aiming at is Manitoba. Madam Speaker, we have specialty crops like beans that are going to be drawn away from us unless we get our act together and get aggressive and competitive in this country.

Madam Speaker, we need a Minister of Agriculture who will put a lot of emphasis into trying to show a better way for our industry, identify what we need to diversify ourselves into, get some stabilization programs in place that will allow that diversification. We need to have some significant research in this province, Madam Speaker, that will show the way to new opportunities. When a Minister stands up and says, "I'm against money going into research for plant species," I wonder what he's talking about.

Madam Speaker, this Minister of Agriculture has shown us no plan for the future, none whatsoever. He's

always against, he's against, he's against. He stands up and says things against the Federal Government, Madam Speaker, when the Federal Government has just pumped into this province through the two programs, Special Grains and Western Grains Stabilization, \$1 billion in the last five years, \$1 billion pumped into Manitoba farmers. Madam Speaker, that's a very significant amount of money put in, and the premium cost to them was only \$40 million.

Yet, he has the audacity to stand up and answer a question from the Member for Lac du Bonnet the other day and berate the program because the premium is going to increase. Naturally it increases, Madam Speaker, because you have a substantial benefit and it has come to producers, and there are more benefits to come in the coming years.

Madam Speaker, far too often, I heard comments over there that indicate to me that the government likes to have their hands on the controls. They want to control the farm community. I see a program come out here called the Crown Lands Transfer Policy, which is one of the most obnoxious programs I've ever heard. A farmer cannot sell his cattle or his equipment or his own land without approval from the government to get that lease transferred with the land, which makes it a complete package. Madam Speaker, I think that there are people over there who, in the long term, feel that farmers have far too much freedom, that they must be controlled, controlled, and that there must be bureaucrats telling them what to do, when to do it. To take away the ownership of their land would seem to be the long-term objective. Keep us all serfs, keep us all poor and begging.

Madam Speaker, they do not recognize the initiative and creative ability that farmers have. We have an organization out there called Keystone Agricultural Producers, an accumulation of some very strong and aggressive agricultural minds. There are other commodity groups out there with some very strong and aggressive ideas as to how the industry of agriculture can be helped in this province. Madam Speaker, does this Minister of Agriculture, the former Minister of Agriculture, or that government call upon them and use them as a resource to help direct this industry in this province? I fear not. They just say no to everything that they bring forward, absolutely and continually.

Madam Speaker, it's getting to be a deplorable situation, and I think some members over there, like the Member for Lac du Bonnet, should reconsider what he said about voting with the government tomorrow night. I think he should do some individual thinking, some very serious individual thinking about what his government has done to the industry of agriculture in this province.

He talks about the hard days of the 1930's. I ask him to reflect down the road three or four or five years with the kind of policies coming out of that side of the House and their attitude towards agriculture and think about what it will do to his industry. If he thinks it will help his industry, I think he will think otherwise if he looks at what has happened. I think he should think very seriously of voting for the amendment tomorrow night, Madam Speaker, and consider the consequences for his industry.

Thank you, Madam Speaker, for the opportunity to speak.

MADAM SPEAKER: The Honourable Minister of Business Development and Tourism.

HON. A. MACKLING: Madam Speaker -(Interjection)- I am going to ignore the silly nonsense that I hear from the other side of the Chamber and put on the record my appreciation for the contribution in this Budget Speech by the Honourable Member for Lac du Bonnet.

Madam Speaker, rather than talking innuendo, criticizing personal members or the actions or the comments of personal members in this House, he talked about issues and principles that are important in this society, principles that we learned through history - (Interjection)-

MADAM SPEAKER: Order please, order please.

If members want to play little games, I'm sure they can find some other place to do it. The honourable member has the floor.

HON. A. MACKLING: Madam Speaker, not only did the Member for Lac du Bonnet give us a little lesson in history, he gave his speech as an abject lesson to members in this House as to what contributions to a Budget Debate should be.

Madam Speaker, I am not going to single out members opposite for personal criticism and attack the particular nonsense that they may have used in the debate, but I am constrained to at least briefly comment about the attitude of the official Opposition in respect to this Budget. Madam Speaker, if I could characterize it in a short phrase, I would say that their contributions are a study in consistent inconsistency.

Madam Speaker, we have heard members opposite quite likely indicate their serious concern as to governments having to cope with significant deficits. I think that if they were being objective and fair, they would equally say the deficits that are suffered by our sister provinces elsewhere are just as much a matter of concern to us as Canadians as we are in Manitoba concerned about the obligations we have. Where we have a deficit, it is not with pride that we look to that deficit, but it is a matter of concern. The concern about that deficit was indicated during the course of that Budget Speech.

We have wrestled with the problem of the deficit and are making progress, but let no one in this House be under the impression that any member of this House looks with favour on significant government deficit. Members opposite not only regale against the deficit but, in the same speeches, talk about the necessity for government to spend much more in specific areas of their concern.

Madam Speaker, I won't talk about the childish nonsense I hear from across the floor. In the same speeches, Madam Speaker, they talk about the need to reduce the deficit and to spend more in the same speech. I won't identify the speakers opposite who have done that, but it is a matter of record, recorded in Hansard, that they do that.

In addition to that, Madam Speaker, certain of the members opposite say that there should be certain cuts in programs. When you ask what programs should be cut, there is a very nervous silence from opposite. The only specific thing, the only specific suggestion

that I have heard is in connection with communicators. You know, Madam Speaker, I have some sympathy with that concern, because I'm one of those politicians who believes that politicians should be the best communicators. I don't think we always are.

I think that what we've been communicating in this Budget Debate, for those in Manitoba who read Hansard, would be a matter of concern. I don't think, Madam Speaker, reading those Budget Debates and those contributions would be very communicative of the real issues that face citizens in Manitoba, and in Canada.

Madam Speaker, I for one would be prepared to see a consideration of reduction in the amount we have to spend on advertising and communicating, but often I hear members opposite saying, well, you didn't do enough to let the people know about that program, whether it be a program in respect to assistance to farmers, in respect to education tax relief, or any other program. So, Madam Speaker, I do want to share with members my concern that, to be an effective Opposition - and good parliamentary democracy needs an effective Opposition - they should be consistent in their approach. When they are consistent in their approach, they will be listened to, Madam Speaker.

They also talk about the need to cut taxes. You know, the Leader of the Opposition talks about cutting taxes,

cutting the deficit, and spending more, all in one speech. Madam Speaker, there are various ways that - I've heard about people who try to do two things at the same time. I don't appreciate the terminology all that much.

But the Leader of the Opposition and members opposite even go further. It's not that they want to do two things at the same time, they want to do three things at the same time. They want to push, shove and climb, all at the same time. They have to be magicians to be able to do that - illusionists.

Madam Speaker, I don't think they are illusionists. I think that they are very transparent, that the electors in Manitoba see them floundering, because they are not consistent in their approach. They are not constructive in their approach and laying before people, through this Legislature, their consistent constructive alternative approaches to issues that should be before people in Manitoba.

MADAM SPEAKER: Order please.

I'm interrupting the honourable member as the hour is now 10:00 p.m. The honourable member will have 32 minutes remaining when this matter is again before the House.

The House is now adjourned and stands adjourned until 1:30 p.m. tomorrow. (Tuesday)