



Second Session - Thirty-Fifth Legislature
of the
Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS
(HANSARD)**

40 Elizabeth II

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Speaker*



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**MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature**

Members, Constituencies and Political Affiliation

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	Liberal
ASHTON, Steve	Thompson	NDP
BARRETT, Becky	Wellington	NDP
CARR, James	Crescentwood	Liberal
CARSTAIRS, Sharon	River Heights	Liberal
CERILLI, Marianne	Radisson	NDP
CHEEMA, Gulzar	The Maples	Liberal
CHOMIAK, Dave	Kildonan	NDP
CONNERY, Edward	Portage la Prairie	PC
CUMMINGS, Glen, Hon.	Ste. Rose	PC
DACQUAY, Louise	Seine River	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DEWAR, Gregory	Selkirk	NDP
DOER, Gary	Concordia	NDP
DOWNEY, James, Hon.	Arthur-Virden	PC
DRIEDGER, Albert, Hon.	Steinbach	PC
DUCHARME, Gerry, Hon.	Riel	PC
EDWARDS, Paul	St. James	Liberal
ENNS, Harry, Hon.	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Cliff	Interlake	NDP
EVANS, Leonard S.	Brandon East	NDP
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen, Hon.	Springfield	PC
FRIESEN, Jean	Wolseley	NDP
GAUDRY, Neil	St. Boniface	Liberal
GILLESHAMMER, Harold, Hon.	Minnedosa	PC
HARPER, Elijah	Rupertsland	NDP
HELWER, Edward R.	Gimli	PC
HICKES, George	Point Douglas	NDP
LAMOUREUX, Kevin	Inkster	Liberal
LATHLIN, Oscar	The Pas	NDP
LAURENDEAU, Marcel	St. Norbert	PC
MALOWAY, Jim	Elmwood	NDP
MANNES, Clayton, Hon.	Morris	PC
MARTINDALE, Doug	Burrows	NDP
McALPINE, Gerry	Sturgeon Creek	PC
McCRAE, James, Hon.	Brandon West	PC
McINTOSH, Linda, Hon.	Assiniboia	PC
MITCHELSON, Bonnie, Hon.	River East	PC
NEUFELD, Harold, Hon.	Rossmere	PC
ORCHARD, Donald, Hon.	Pembina	PC
PENNER, Jack	Emerson	PC
PLOHMAN, John	Dauphin	NDP
PRAZNIK, Darren, Hon.	Lac du Bonnet	PC
REID, Daryl	Transcona	NDP
REIMER, Jack	Niakwa	PC
RENDER, Shirley	St. Vital	PC
ROCAN, Denis, Hon.	Gladstone	PC
ROSE, Bob	Turtle Mountain	PC
SANTOS, Conrad	Broadway	NDP
STEFANSON, Eric, Hon.	Kirkfield Park	PC
STORIE, Jerry	Flin Flon	NDP
SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary	Fort Garry	PC
WASYLYCIA-LEIS, Judy	St. Johns	NDP
WOWCHUK, Rosann	Swan River	NDP

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, April 18, 1991

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

INTRODUCTION OF BILLS

Bill 25—The Environment Amendment Act (2)

Mr. Paul Edwards (St. James): Mr. Speaker, I move, seconded by the member for St. Boniface (Mr. Gaudry), that Bill 25, The Environment Amendment Act (2); Loi no 2 modifiant la Loi sur l'environnement, be introduced and that the same be now received and read a first time.

Motion presented.

Mr. Edwards: Mr. Speaker, this is another part of The Environment Act which was left out when the previous administration brought in the new act, and very regrettably so in the view of our party.

This act does what other environment acts in this country do and what we should have done back when it first came in or since then. It is long overdue in this province.

What this bill seeks to do is to put in place the same protection for workers who blow the whistle on their employers for environmental infractions that they presently have under The Workplace Safety and Health Act and other worker protection acts. That is a very basic right in the workplace, which is that if you speak out about something that is legitimate, that is done in good faith and that is imposing a hardship on either your safety or your fellow worker or indeed the environmental protection which the company is supposed to be adhering to, that you should be protected against retribution from your employer.

That is a fundamental right of the workplace. It is surprising to me indeed that the former administration, given their espoused commitment to workers and rights in the work force, did not see fit to include this. It is high time we did, and I call on all parties in this House to put in place this very important amendment.

Motion agreed to.

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, may I direct the attention of honourable members to the gallery, where we have with us this afternoon 20 visitors from the Y Women's Group. They are under the direction of Viola Billing.

Also with us this afternoon, we have from The Maples Collegiate twenty-five Grade 12 students. They are under the direction of Mr. Boyko. This school is located in the constituency of the honourable member for The Maples (Mr. Cheema).

On behalf of all honourable members, I welcome you here this afternoon.

* (1335)

ORAL QUESTION PERIOD

Agriculture Industry Financial Assistance - Federal

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, for months now farm organizations, Manitobans and western Canadians have been calling upon the federal government to come up with an adequate amount of money so that farmers could get on the fields and know their financial situation in this very, very difficult situation that western Canadians are facing. Today the federal government, just a few short minutes ago, made their latest announcement for farm support and adjustment programs in western Canada.

Instead of getting adequate support in cash that they immediately need, in fact they needed yesterday, we have announcements of red tape, uncertainty and continued crisis in the agriculture community.

I would ask the Premier whether he was involved in today's federal announcement in terms of the program the federal government announced for farmers in terms of their support and whether he supports the announcement of the federal government, or if he does not, will he help lead the fight for adequate payments to farmers in this very, very crucial crop year?

Hon. Gary Filmon (Premier): Mr. Speaker, this morning for more than an hour or an hour and a half, the cabinet met with the Keystone Agricultural Producers, a meeting that we hold semiannually to ensure that we are in close communication with the farm community leaders, that we discuss items of vital importance to them. I know that we discussed at great length the GRIP program, the potential NISA coverage and other coverages.

I know that during that period of time while we were in that meeting the federal government made its announcement. We were aware that they were going to make the announcement. The Minister of Agriculture (Mr. Findlay) is at the moment assessing the announcement, the effects of it. He is meeting with other groups, and he will obviously be responding on behalf of the government.

We believe that it is important to put money in the hands of the farmers, the third line of defence. We were disappointed that it was not more. We continue to work to enhance the GRIP program and obviously to do everything that we can. This budget's commitment to the GRIP program is a very large and substantial commitment.

There will be obviously ongoing commitments as well with respect to the long-term potential underfunding of the program that we will be a partner in financing on behalf of the farmers of this province.

So we continue to be committed to farmers, to the rural community, to putting as much money as we can possibly afford into their support so that they can withstand the difficult times that they face with the international grain trade war that they are currently embroiled in.

Mr. Doer: Mr. Speaker, but the Premier in his answers stated that the farmers need cash, and we all agree farmers need cash to go on the fields to start the process that is so vital in our province, and this announcement does not provide the deficiency payments and cash that all of us have been calling for in this Chamber day after day and all across western Canada.

So my question to the Premier is: Why will he not speak in terms of the federal government, the Prime Minister of the country, and explain to him very clearly that farmers in Manitoba and farmers in western Canada do not need more red tape, do not need more of these bureaucratic programs that the federal government has announced today? In fact, the Government of Manitoba has not even joined the

NISA program, which is the entry for the cash payment, and announced today that it has no cash for Manitoba farmers. What will he be doing about it to stand up for Manitoba farmers in this very crucial period?

Mr. Filmon: Well, Mr. Speaker, rather than just giving them a bag of hot air like the Leader of the Opposition, we put \$43 million in this year's budget that was announced the day before yesterday, for the farmers of Manitoba in the GRIP program. That is a major substantial commitment, the largest one that has been made on any single program in this province's history, Mr. Speaker. That is the kind of commitment we are making to our agricultural producers in this province. It is substantial.

The leaders of the farm community, represented by Keystone Agricultural Producers, understand that and support it, because they recognize that in the face of major, major financial difficulties, the loss of revenues that we face this year, we continue to stand firm with the farmer. We continue to put our \$43 million on the table, the largest single commitment to any program of farm support they have ever seen.

* (1340)

Mr. Doer: Well, with the greatest respect, the Premier did not answer the question.

Mr. Speaker, we have been raising the whole situation of pressuring farmers to join GRIP for deficiency payments. Now we have a situation that to get deficiency payments, farmers must join NISA. The province has not yet joined NISA. We do not have any cash. We need to get that announcement. Farmers are in debt, and they have to go in greater debt just to get some of the borrowing available with this program that is announced by the federal government.

All farm organizations have said, the Pools and the farm organizations of western Canada have said, we need \$1.1 billion in this crisis situation across western Canada just to stay even.

I ask the Premier: What is his government's response to the federal announcement today that puts further pressure on his government, further pressure on Manitobans and tremendous pressure in a crisis situation on all Manitoba farmers?

Mr. Filmon: Mr. Speaker, with respect, in my very first response, I told the Leader of the Opposition precisely what we are doing. We are not shooting

from the lip. We are not just standing up here flailing away at everything that moves.

We have the Minister of Agriculture (Mr. Findlay) assessing the details of the announcement, what commitments it will require from the Province of Manitoba. We have already committed \$43 million, the largest single commitment to any program that we have ever made in our history, to the farm community. We are assessing what are the ramifications of today's announcement, which was just made a couple of hours ago while we were in meetings with the farm community indicating our concern and our interest in their plight and their issues that they face, Mr. Speaker. While we were in the midst of that, the federal government made its announcement.

Rather than just shoot from the lip, as the Leader of the Opposition is, we are going to ensure that our response will be a meaningful response and will ensure that whatever decision we make, it is in the best interests of the farm community.

GRIP Program Cost of Production

Mr. John Plohman (Dauphin): Mr. Speaker, this \$43 million that this Premier brags about here today is going to simply ensure that this farmer in southwestern Manitoba is going to lose \$36,000 on 800 acres, another one is going to lose \$21,000, another one \$27,000, another \$15,900, another \$16,900. This minister is putting his dollars, his \$43 million he says he is putting into the program, in a losing program for farmers to ensure they continue to lose money.

I ask the Premier of this province—the farmers came in to meet again this morning with the Deputy Premier (Mr. Downey) and they are going to be meeting with the Premier this afternoon. They want to get out of a four-year commitment, Mr. Speaker, where the government can change the rules year by year. They want to get out of that. They want their cost of production guaranteed.

Will this Premier now commit to dealing with the issues that those farmers are putting forward to him at these meetings and to his colleagues, to their MLA, to the Minister of Agriculture and other members of cabinet who have attended some of those meetings? Will he now address those concerns that those farmers are putting forward?

Hon. James Downey (Acting Minister of Agriculture): Mr. Speaker, let me say that the message has come through loud and clear from the constituency which I represent. Concerns which were brought forward some several weeks ago now have been worked on by the government, particularly as it deals with those farmers who have been factored down because of a drought condition in the southwest corner of the province.

There was a response to those concerns dealing with those farmers who were factored down, and in fact the response was to improve the program so that everyone in that area, not only in that area but throughout the province, would be able to start at no less than what their soil zone area average is on the price side.

I believe there has been a response. It may not be totally what the farm community wants, but it is a move that has been made that was requested. Any further action to be taken will have to be worked out as the program advances and develops over the next few weeks and months, Mr. Speaker.

* (1345)

Mr. Plohman: The acting minister continues to refer to changes that have been made. He knows they are inadequate; the farmers have told him that. It is still not even going to give them close to their cost of production.

I ask this acting minister: Will he now admit that his revised GRIP that has been put in place by his colleague the Minister of Agriculture (Mr. Findlay) will only serve to entice farmers to cut corners and reduce production in order to save costs under this program rather than maximize production, that what they are going to have to do so they do not lose more money is cut back on fertilizer, cut back on chemicals in working the land that is required to get a good crop? Is that not what this program is going to do?

Mr. Downey: Mr. Speaker, I do not believe that there was any intention to fully cover the cost of production for the farm community under GRIP, so let us make that clear. Let me say as well, referring specifically to the question of the member, that the ability to factor up through an enhanced management practice was in fact included as well.

I will admit, if there is a total drought condition throughout the southwest part or any part of the province this year, there would be a shortfall,

because the crop production side of the program is not included in this change.

However, the request initially was for the price side to be covered at area average under GRIP. That was, Mr. Speaker. The factoring up under enhanced management has been included in the program so they can in fact add additional input costs.

Mr. Plohman: Mr. Speaker, the Premier (Mr. Filmon) talks about \$43 million, and he should be honest with this Legislature that in fact he has cut the rest of the Agriculture budget to find that money. There are no additional dollars for agriculture in this budget.

Mr. Speaker, I ask the Premier: In his meeting now with the farmers who have come from long distances across this province, not only in the southwest, from all over the province, who will not be getting their cost of production in this program, will he agree in his meeting today to take their cause to the highest level, to the Prime Minister of this country, and plead their case, that they must get cost of production in order to continue to survive in Manitoba?

Mr. Downey: Mr. Speaker, let me just further add that this government has heard those individuals from not only southwestern Manitoba but throughout Manitoba and have acted in a responsible manner. As well, they have the opportunity to meet with the Premier (Mr. Filmon) and the Minister of Agriculture (Mr. Findlay) this afternoon to further put their case before those individuals. After we hear that, I am sure the Premier will be prepared to respond as it relates to specific situations.

School of Psychiatric Nursing Selkirk Closure

Mrs. Sharon Carstairs (Leader of the Second Opposition): Mr. Speaker, it was with great regret, I think, that we all learned today that the school of nursing at the Selkirk Mental Health Centre is to be closed.

I would like to know from the Minister of Health what studies he has that indicate that we are training too many psychiatric nurses in the province of Manitoba, and what other studies does he have, and will he table them, with regard to the economic improvement that will occur to the province by having only one school?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I am certainly pleased my honourable friend brought this issue up. What is proposed in the budget is the consolidation of the psychiatric schools of nursing to one location, and that location is to be Brandon. There are a number of factors behind that which I am quite anxious to share with my honourable friend.

Let me background my answer, Mr. Speaker, by saying first and foremost that the previous two questions or series of questions to this House, in which members of the official opposition have said that there are problems in agriculture, indicate to all Manitobans the kind of difficulties provinces across this country are facing in coming to budgetary decisions. There are many demands on the Treasury.

Mr. Speaker, when we make decisions, we attempt to protect essential and necessary services and to make effective use of resources. Over the last two years, we have attempted with the association of registered psychiatric nurses to deal with the education issue in the registered psychiatric nursing profession, because they are going to be highly involved as a profession in the reform of mental health that is going to happen in this next ensuing few years.

* (1350)

Mrs. Carstairs: Mr. Speaker, I tried this afternoon to put a very straightforward question to the Minister of Health, and it is quite obvious that he does not have any studies. Therefore, he has no justification for what he is doing and, certainly, the report of the psychiatric nursing working group does not recommend the consolidation of the two schools.

Can the Minister of Health justify the actions he has taken because there are sufficient numbers of psychiatric nurses in the province, or is he prepared to tell this House today that we have too many psychiatric nurses and that, therefore, we can close down one training institution because we have no need of the services of these young people in our community?

Mr. Orchard: Mr. Speaker, neither statement was made by myself, by government, or by the psychiatric nurses association of Manitoba. The only person making that statement is the Leader of the Second Opposition Party, and I do not agree with it.

Mr. Speaker, what was at issue is the emerging role of the psychiatric nurse in a reformed mental health system. For two years we have been working around the issue of what will be the educational requirements and environment that we can build upon strengths in registered psychiatric nursing training programs in the province.

Let me tell my honourable friend that there is a school of nursing in Selkirk and one in Brandon. At Brandon University there is a bachelor's program in registered psychiatric nursing, which is recognized as a leading institution not only in Manitoba as the only one with the bachelor's program, but in western Canada.

It is the intention of this government, in co-operation and working with the Registered Psychiatric Nurses Association of Manitoba and their professional members, to build upon that strength at the university environment as well as the diploma level in Brandon to enhance the availability of the teaching and the quality of training for registered psychiatric nurses in the province of Manitoba.

Mrs. Carstairs: Mr. Speaker, what a few years does to a former critic, now the minister.

On June 4, 1986, the Minister of Health said, and I quote: It is a wrong decision that was made incorrectly, based on wrong information; it is politically motivated.

Well, Mr. Speaker, he made these comments in response to the NDP closure of the psychiatric nursing school at Portage la Prairie.

Can he tell this House how his decision today in any way differs from the decision that he so eloquently and bitterly castigated in 1986 when he was the opposition Health critic?

Mr. Orchard: I am certainly glad my honourable friend brought that issue up, because the decision today differs substantially from the decision in 1985. I wish to tell my honourable friend the ways in which it differs.

First of all, there was no consultation, no work for two years, with the Registered Psychiatric Nurses Association of Manitoba prior to the 1985 decision to close the school at Portage la Prairie. That discussion had taken place with this government to try and reinforce and to create a centre for excellence for registered psychiatric nursing in

Brandon with building on the strengths of the Brandon University program.

My concern in 1985, Mr. Speaker—because my honourable friend should have the courtesy to read a March 12, 1985, question that I posed to the then minister, wherein I asked the very real concern that two schools of nursing remained, both of them in institutions dealing with mental illness.

The one that was closed dealt with children and adults suffering from mental retardation. It was that part of the program that was lost that I objected to at that time.

School of Psychiatric Nursing Selkirk Closure

Ms. Judy Wasylycia-Lels (St. Johns): Mr. Speaker, first let the record be clear that the previous administration, when it closed the Portage school, increased the intake at Selkirk and Brandon schools.

Mr. Speaker, I want to ask the Minister of Health a couple of questions on this important issue, since we are not talking about a consolidation of the programs at Selkirk and Brandon. We are talking about the elimination of an entire program, the loss of jobs, of educational opportunities and of valuable services for people in Manitoba.

How can the minister, in the face of studies done by his own department as recently as one year ago today, justify cutting back on a valuable service that provides much needed psychiatric nursing professional care to people in Manitoba, especially if this minister is serious about moving in the direction of community-based care, which all studies have shown will require more psychiatric nurses than ever before?

* (1355)

Hon. Donald Orchard (Minister of Health): Mr. Speaker, that is exactly why we spent two years working with this government, the Registered Psychiatric Nurses Association of Manitoba to develop a framework for decision making on the educational requirements of registered psychiatric nurses for the reformed mental health system in the province of Manitoba.

Mr. Speaker, I want to tell my honourable friend that she is wrong when she says there will be an elimination of an entire program. Diploma registered psychiatric nurses will be trained in

Brandon, Manitoba. That is not an elimination of program, that is exactly, as I have said, a consolidation of training programs from two facilities to one. In doing that, we will maintain an on-site training capability at Selkirk to balance the training program and use expertise at Selkirk as well.

Secondly, Mr. Speaker, by having it in Brandon we will build upon something that is recognized by this government as the excellence that Brandon University has developed in the Bachelor's Program of Registered Psychiatric Nurses, something that the professional association and this government agree is necessary for the use of registered psychiatric nurses in the reformed mental health system.

Ms. Wasylycia-Lels: Mr. Speaker, we are, on this side of the House, sick and tired of the double talk of the Minister of Health.

How can the minister say this when he stood up in the House on November 14, 1988, in response to questioning from this side of the House and said definitively that, no, the school at Selkirk will not be closed?

I want to ask the Minister of Health: What standards are being broken by the School for Psychiatric Nursing at Selkirk, because if standards are not being broken then this government is breaking an act which prohibits the closure of the program for reasons other than—

Mr. Speaker: Order, please. The question has been put.

Mr. Orchard: Mr. Speaker, the same decision is being made today as was made by the previous government in 1986 with regard to the school at Portage la Prairie, only at that time the Portage school was screening registered psychiatric nurses in an environment of mentally handicapped Manitobans. That was lost to the training program. That is not the case today. Today's case is a consolidation of program and a building on strengths.

Mr. Speaker, let me tell my honourable friend what one of the difficulties is and will continue to be as government reforms the mental health services of Manitoba, moves to a community-based service and moves services outside of our major urban centres. That is going to be an inability, which has plagued the province for years, of attracting psychiatrists outside of Winnipeg or Brandon.

Registered psychiatric nurses will fill that gap in a reformed mental health system with the training programs at Brandon University and the school of diploma nursing for registered psychiatric nurses in Brandon.

Northern Health Care User Fees

Ms. Judy Wasylycia-Lels (St. Johns): Mr. Speaker, I will leave further questioning on this to my colleague from Selkirk and ask a new question of the Premier pertaining to an area where there is equally a good example of double talk and double-cross.

I want to ask the Premier, after having said on December 6, 1990: This administration is totally and completely opposed to user fees in medicare, how he can justify and let his Minister of Health make a decision to bring in a \$50 user fee for people in the North who require cataract surgery, hip replacements or other surgery in order to let them get on with their lives. How do you explain that?

* (1400)

Hon. Gary Filmon (Premier): Mr. Speaker, I regret very sincerely that the member for St. Johns does not know the difference between transportation costs and medical costs.

Mr. Speaker, in this province in every jurisdiction people pay for their own ambulance costs, pay a fee toward their ambulance costs. That is when they are brought in even on emergency circumstances. This is elective surgery. This is choice-making medical care.

People who drive to the hospital pay for the gas in their own car. People who are from small rural areas take a bus into the closest community. People pay their transportation everywhere. Fifty dollars is a small fraction of the cost of transportation, a very small fraction.

We are talking about a small portion of the cost of transportation which virtually everybody else pays when they come to hospital, even in an ambulance. I cannot believe the lack of understanding from the member opposite.

School of Psychiatric Nursing Selkirk Closure

Mr. Gregory Dewar (Selkirk): My question is to the Minister of Health.

With the closing of the Selkirk School of Psychiatric Nursing, Selkirk is losing a 70-year-old institution. It is recognized across Canada for its teaching excellence and is the community's only post-secondary education facility.

Why did the minister not consult with town council and town residents before he closed the school?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, no one in this government is questioning the excellence of the registered psychiatric nursing training program in Manitoba and the value of those trained professionals in delivering quality mental health services. That is why, in the consolidation of the two training programs at the diploma level to one school in Brandon, we intend to build upon that strength, that excellence and the professional availability to deliver mental health services throughout the length and breadth of Manitoba.

Unfortunately for the community of Selkirk, that school is being consolidated into a school at Brandon. That is not an easy decision for government to make, and it is not an easy decision on the community. I fully respect the difficulties that it has caused to the citizens of Selkirk—a Freudian slip, I was going to say Portage la Prairie. That was six years ago.

Mr. Speaker, I can do no more than reinforce to my honourable friend the reason that Brandon was chosen is that the Brandon University has established a degree program in registered psychiatric nursing. That program also is recognized as an emerging program of excellence in training at the degree level, the bachelor's level in registered psychiatric nursing, and we want to build on that.

Alternate Facilities

Mr. Gregory Dewar (Selkirk): What is going to happen to the 100 applicants, many of whom are out of province? Where are they going to get this valuable education, or are they simply out of luck?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I am not certain of the number my honourable friend has put on the record of 100 or where they are making application from out of province. I simply do not have that knowledge.

The announcement was made at this time to give advance notice for two purposes: first of all, to make all students who potentially want to enter the first-year program aware that Brandon would be the

location for the first year of the diploma program; and secondly, to give us a window of opportunity of some several months of planning to work with the association, with the schools of nursing to make those detailed changes so that we can assure the greatest level of student entry possible.

Selkirk Closure Delay

Mr. Gregory Dewar (Selkirk): Mr. Speaker, will the minister not at least delay this closure for a year so we can study the negative effects this will have on our local economy?

Hon. Donald Orchard (Minister of Health): Therein lies the problem that I am constantly challenged with in all areas of health care.

My honourable friends in the opposition say, well, all you ever do on an issue is study the issue and you never make decisions. We have studied this issue for some two years now. We have a report which recognizes the excellence in Brandon University and its role and the school of nursing role in Brandon. When government makes decisions based on some two years of discussions, I recognize that a decision made by government to consolidate, wherein there are layoffs of instructors, there are not good immediate feelings about it.

I want to reinforce to my honourable friend that this decision is good for the province of Manitoba because it will allow the province to be better served by better trained registered psychiatric nurses in the future.

The Loan Act Conawapa Dam Project

Mr. Paul Edwards (St. James): Mr. Speaker, my question is for the Minister of Finance.

This government has previously indicated that they would spend up to \$110 million to construct infrastructure for the Conawapa project before environmental approval. To date, approximately \$40 million of this has been spent.

Recently the Minister of Environment (Mr. Cummings) released a proposal for the environmental assessment of Conawapa saying that the final report would be available approximately 20 months away. That is some time in 1993.

Why then, Mr. Speaker, does The Loan Act now ask for authority to borrow a further \$500 million,

which the act indicates is required in this fiscal year for the Conawapa and Bipole III projects?

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, considerable time and effort was put into the development of the \$550-million figure put into The Loan Act. It is not the anticipation that that amount of money or any portion of it may necessarily be spent in this fiscal year.

As tradition would have it, with respect to preparing The Loan Act, one has to take into account when the next Loan Act after this one may ultimately be passed. Indeed, for whatever reason, the legislative session stretched out now, when we come in later than next spring, in 1992, conceivably the 1992 Loan Act might not be passed until late calendar year 1992.

That is why the contingency is built in. I can indicate to the member that the request that came in to us from Manitoba Hydro was in the area, it seems to me, of a billion dollars or a billion-five, and we took it down to this level. It may very well be that not a dollar of that is spent, as is the tradition of The Loan Act presentation to this House.

Mr. Edwards: Mr. Speaker, the Minister of Environment (Mr. Cummings) has put out a discussion piece which clearly says that the environmental assessment will not be completed until at least 1993. That is two fiscal years away.

My question again is for the minister. I do not doubt that Manitoba Hydro asked for over a billion dollars. My question for the minister is: What factors did he consider in coming up with \$500 million? Why does he need \$500 million for a project that is not supposed to be going ahead until the environmental assessment is done?

Mr. Manness: Mr. Speaker, a major part of the preamble is wrong. The money that has been spent so far, roughly I believe \$40 million, has required necessary environmental clearance. It is in keeping with an early infrastructure leading to of course the facility. If you are going to ultimately develop a facility, there is nothing wrong with the province building a road to that site, as it is our right to do.

Mr. Speaker, let us go back to the question. I can assure the member and I can assure all Manitobans that not a dollar will be spent out of that sum unless or until environmental processes have been completed, until licences have been received and

until the government is satisfied that all has occurred.

* (1410)

Mr. Edwards: Mr. Speaker, The Loan Act word that is used is called "required." That is the word that is used in The Loan Act. I do not dispute the fact that a road was built. The road did not cost \$500 million. It did not cost close.

My final question for the minister is: What factors did the minister consider in coming up with the \$500-million figure? What went into the mix, and was one of the things that went into the mix the potential penalties that are built into this agreement on the Conawapa deal?

Mr. Manness: The short answer is, definitely not. If he wanted to ask the same question of the former government, he would see for instance that when The Loan Act came out with Limestone, there was originally, from recall, a \$3-billion entry, and that was two years before any construction started at all. I mean if he also wants to debate now The Loan Act, he may call into question the \$30 million that has been set aside for HBM&S upgrading.

Again, that is a hard call as to when, first of all, an agreement is going to be signed, and secondly, when is there going to be the cash-flow call on those types of money? These are difficult decisions. We are expected to bring forward a request to this House to loan money in support of certain programs, but only after certain clearances, in this case environmental permits, have been successfully attained.

Northern Health Care Accessibility

Mr. Jerry Storie (Flin Flon): Mr. Speaker, the people of northern Manitoba are used to being abused by Conservative governments, and they have no reason to be optimistic about any change, but one of the most despicable acts of this government to date has been the decision to introduce user fees to the people of northern Manitoba. Most people in northern Manitoba find it difficult to understand the thinking of the government, but the First Minister today in answer to a question provided the reasoning. He thinks everyone lives in Tuxedo.

My question is to the First Minister. Can the First Minister explain to the people of Manitoba who now, to receive treatment in a medical facility like the

Health Sciences Centre, have to travel sometimes more than a day, who have to incur overnight charges, food charges and transportation charges that amount to hundreds of dollars, how he can justify now taking away the very simple principle that medical services are supposed to be accessible to everyone in the province?

Hon. Gary Filmon (Premier): Mr. Speaker, that is the most foolish question that I have heard in a long, long time. The fact of the matter is that people who live in Swan River, people who live in Gilbert Plains, people who live in Dauphin, people who live in Gimli, in Neepawa, everywhere who have to travel in for elective surgery have to pay the cost of transportation. Every single one. It does not matter where they live—city, province, anywhere. Whether it is emergency by ambulance, whether it is elective surgery, they pay their transportation costs. That is the most foolish question that he has ever put.

Mr. Storle: Mr. Speaker, the ignorance of this First Minister never ceases to amaze me. People of northern Manitoba pay ambulance costs. They pay transportation costs—

Mr. Speaker: Order, please. Time is extremely scarce. Order, please. The honourable member for Flin Flon, kindly put your question, please.

Northern Health Care User Fees

Mr. Jerry Storle (Flin Flon): Mr. Speaker, my question is to the First Minister.

Will this First Minister guarantee that none of the 80 to 90 percent of the people who are unemployed in many of the communities, whom he has just taken a benefit away from, are not going to be denied or not have medical services, perhaps lifesaving, as a result of this cut of \$50 from an important service to northern Manitoba?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I recognize my honourable friend is wanting to raise a rhetorical debate over an issue. Let me correct my honourable friend. We are budgeting for \$2.5 million this year to provide air ambulance services for those emergency transportations from northern Manitoba that are life threatening for those citizens that are beyond the 53rd parallel, and that is at absolutely no cost to those users.

What we are talking about, Mr. Speaker, in this \$50 fee that we are asking to be paid for elective transportation, is that there are a number of excluded services. If the person comes to the city of Winnipeg, Brandon or Dauphin for chemotherapy, which is an essential medical service, the surcharge will not apply. If they come in for anything that is not elective, the air ambulance will bring them in gratis, free at a \$2.5-million cost to the taxpayers of Manitoba.

So, Mr. Speaker, what we are talking about is coming to the city of Winnipeg, Dauphin or Brandon to see a specialist by referral for an elective procedure or an office visit to a specialist service unavailable in northern Manitoba.

I hope my honourable friend asks another question.

Mr. Storle: Mr. Speaker, the Minister of Health does not understand that isolated communities in northern Manitoba, their patients, those patients are forced to pay incredible accommodation costs, meal costs, transportation costs above and beyond what is currently provided by the Northern Patient Transportation Program.

My question is to the Minister of Health. What guarantees is the Minister of Health going to provide to people who cannot afford the \$50 because they are on fixed income, because they are unemployed? What guarantees is the Minister of Health going to provide that those people are going to be able to access health care in the province of Manitoba now?

Mr. Orchard: Mr. Speaker, my honourable friend makes the case that those individuals pay accommodation costs, potentially, or meal costs. The people from the Swan River valley who pay their entire costs of getting to Winnipeg do likewise pay accommodation, pay meals and pay other costs.

There is no other program in the province of Manitoba available to any other residents of Manitoba that is gratis, free for elective procedures. The needed medical procedures that are accessed in Winnipeg, Brandon or possibly Dauphin by residents of northern Manitoba will still continue to be entirely paid by the taxpayers of Manitoba. This is a contribution.

Mr. Speaker, why the member is upset and the member for Thompson (Mr. Ashton) is not asking this question is that some 18 months ago the

member for Thompson was complaining about a shortage of specialists and doctors in Thompson. With the efforts of this government and the co-operation with Thompson hospital, there are now in excess of 20. The number of people who can see specialists in northern Manitoba because they are there has increased with this government.

Mr. Speaker: Time for Oral Questions has expired.

Mr. Steve Ashton (Thompson): If the government wants to give leave, I would be glad to ask a series of questions on the incompetence of this government and this minister on northern health.

Mr. Speaker: Is there leave to allow the honourable member for Thompson time for a question? No? Leave is denied.

ORDERS OF THE DAY

BUDGET DEBATE

Mr. Speaker: Order, please. On the adjourned debate, the third day of debate, on the proposed motion of the honourable Minister of Finance (Mr. Manness) and the proposed motion of the Leader of the Opposition (Mr. Doer), in amendment thereto as follows, standing in the name of the honourable member for Flin Flon (Mr. Storie) who has five minutes remaining.

Mr. Jerry Storie (Flin Flon): Mr. Speaker, we witnessed this morning remarks from the Minister of Health (Mr. Orchard) and the First Minister (Mr. Filmon) that indicate quite clearly why this particular government has no representation from northern Manitoba.

The Minister of Health and the First Minister, the member for Tuxedo, clearly have no appreciation for the difficulty people in northern Manitoba have in accessing medical services. Even a community like Flin Flon, which has a relatively large general hospital, sends literally hundreds of patients to the city of Winnipeg for diagnostic treatment, for medical treatment, for tests and services which cannot be provided in that community.

What this government is doing is taking away almost 50 percent—perhaps even more in some cases than 50 percent—of the benefits which used to accrue under the Northern Patient Transportation Program, but what is most annoying is that they are doing it under the assumption that this program somehow covers all the costs. They try and relate

it to the difficulties some people have from rural Manitoba in accessing health services. I can tell you, Mr. Speaker, there is no comparison.

I have travelled into those communities, and for someone who is looking for cataract surgery in the community of Tadoule Lake, to come to Winnipeg for a simple assessment requires a minimum of three days. Of those three days, Mr. Speaker, none of the hotel bills are covered, none of the meal costs are covered. If an escort is required, part of that may be covered.

* (1420)

I have given examples in this Chamber. I have written to the Minister of Health of a case of a single woman, a single-parent woman in Snow Lake, Manitoba, who underwent \$400 in charges to come to Winnipeg to have a medical assessment. That is with the air ambulance. That is with the Northern Patient Transportation Program. Four hundred dollars to get the kind of medical treatment that anyone in this Chamber could access, on that side certainly, with virtually no cost whatsoever. -(interjection)-

The Minister of Northern Affairs and Rural Development (Mr. Downey) shouting from his seat talks about Dauphin and Swan River. I have driven to Swan River. It is six hours. You can go there and back in a day. I suggest the Minister of Northern Affairs try and get to Tadoule Lake in a day, there and back. -(interjection)- Yes, providing he gives a government jet to every Manitoban. It is a ludicrous suggestion.

More important, however, is the principle that is being attacked here, and the principle is accessibility of medicare, the accessibility of all Manitobans to decent, reasonable health care. It is now being denied on a selective basis to some Manitobans. It is now being denied to Northerners.

Mr. Speaker, let no one in this Chamber believe for a minute that this is not going to have life or death consequences for somebody in northern Manitoba, because not everybody in northern Manitoba can afford the extra \$50, not everybody in northern Manitoba is employed in a lucrative occupation. In fact, in many of the communities, 80 percent, 85 percent to 90 percent of the people are unemployed and yes, in communities, even in Flin Flon, there are unemployed, and there are people on fixed incomes for whom this is going to be a hardship.

This is a selective, a mean-spirited cut, and the people of northern Manitoba are not going to forgive this government. If the people in southern Manitoba are looking ahead more than a year or two, they can see the agenda writ large on the part of this government. That agenda is to destroy medicare, to introduce user fees in every section. This is the thin edge of the wedge, and they are trying it on Northerners. They are trying it on Northerners because of the callous attitude of members like the Minister responsible for Northern Affairs (Mr. Downey), Mr. Speaker.

Mr. Speaker, the fact of the matter is that this budget is replete with attacks, some small, some subtle and some not so subtle, on northern Manitoba. We have seen an attack on the economic opportunities in northern Manitoba. The regional development corporations are being attacked. The tourism organizations are being attacked. The undertakings of the government to create a northern economic development commission are being attacked.

Mr. Speaker, this government has no interest in the economic future of northern Manitoba. They see it only as a reserve for mining tax revenue and other revenue from our resources in northern Manitoba.

The attacks go deeper than that. The attacks are also on the young people in northern Manitoba. We have seen the elimination of the Northern Youth Corps, which for some communities is likely to be the only source of employment, CareerStart cutbacks. The list goes on and on.

Mr. Speaker, I know that other northern colleagues are also going to get a chance to talk about the ineptitude of this government, and its effect on northern Manitoba. I thank you for allowing me this opportunity.

Speaker's Ruling

Mr. Speaker: Yesterday, the Deputy Speaker took under advisement the subamendment to the budget motion, moved by the honourable member for River Heights (Mrs. Carstairs).

I have reviewed the subamendment and find that it is in order.

Therefore, the question before the House is the subamendment moved by the honourable member

for River Heights, seconded by the honourable member for Osborne (Mr. Alcock):

THAT the motion be further amended by adding thereto the following words:

And further regrets that:

(a) this government has failed to adequately invest in Manitoba's home grown businesses and has failed to provide incentives to encourage private investment in Manitoba's economy, which are essential to drive Manitoba's economic engine; and

(b) this government has failed to provide for research and development as a long-term investment for the economic prosperity of the province; and

(c) this government has failed to meet its obligations by offloading its responsibility for among other things, roads and engineering and water management to municipal governments; and

(d) this government has failed to adequately support post-secondary education to ensure access to career and skills training for Manitobans; and

(e) this government has failed to maintain career-oriented work programs in order to retain our youth in this province as exemplified by its freezing the CareerStart and the elimination of the Northern Youth Corps Summer Employment programs; and

(f) this government has failed to provide adequate funds to allow for development and refocusing of community-based mental health care delivery; and

(g) this government has failed seniors in Manitoba by deindexing 55-Plus, increasing per diem personal care home rates 9.7 percent, reducing gerontology funding in health care, and by otherwise ignoring their special needs; and

(h) this government has failed to fulfill its promise to support women's health care including providing for a breast cancer screening program and giving such promises mere lip service by renaming the existing Maternal and Child Directorate and cutting its budget; and

(i) this government has undermined universal access to health care services for northern Manitobans; and

(j) this government has failed to provide for aboriginal education and health care needs; and

(k) this government has failed to support preventative health care programs to ensure Manitobans of quality of life; and

(l) this government has failed to show concern for the future of natural resources in Manitoba by slashing 231 positions from the department and by further cutting funding; and

(m) this government has failed Manitoba farmers with its shortsighted approach to funding the agricultural sector and for cutting services that help make Manitoba farmers productive and competitive; and

(n) this government has failed to support the programs necessary to promote quality of life in rural Manitoba.

* * *

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, it is almost with pleasure, I guess, to be able to stand here and speak, or at least add my words, to this particular government's fourth budget. It is good in the sense that the government is getting back on fiscal track. We have been able to get back on fiscal track in large part because of co-operation from both of the opposition parties. I think that is a positive. I think there are a few things that are positive, and I hope to touch upon those few things in my speech.

Mr. Speaker, I wanted to talk about the 1990 election and what had happened previously. We can all recall back when we were a minority government, and at the last budget before an election was called, I in fact had quoted from a letter that was sent out to all of the Conservative Party members who would be interested in contributing to the Conservative Party.

I wanted to quote from that letter something that this government has completed. So I am sure they will be sending copies of speeches from different Conservative backbenchers to those who contributed, because in fact they have done what they have said in their letter dated February 7, 1990. As I say, it is addressed to the supporters of the Conservative Party, and in the third paragraph, it reads: Without a clear majority, the next and more difficult phase of the PC program to restore a much needed probusiness environment in Manitoba cannot be effectively implemented.

Mr. Speaker, this, I had argued at the time, was what the Conservatives' real, true agenda was. Time after time we had then government ministers

and backbenchers stand up and say that the real agenda is the agenda that is before us now, that there is no hidden agenda. We countered with things such as the letter, such as the quotation that I have just read.

I believe that those of us who said in essence what the letter had pointed out were quite correct in their assessment of the Conservative Party, because during the election we never heard of any of the things that are before us here today in the form of this budget. Had the government been more straightforward with the public at that time during the election, prior to September 11, I would argue that in fact they would not have a majority government right now, that we would in all likelihood be looking at another minority government at best, and that is not to say which party of course. -(interjection)- This is in fact 57 Liberals.

Mr. Speaker, this is a Tory budget, and if we look at philosophy and we take a look at classic capitalism, in classic capitalism that is where the market will cure all ailments. There is no doubt in my mind that a good number of the Conservative caucus takes that approach when it comes to Manitoba's economy. That is that the private business capital, the market is best guided by capitalism.

There are some costs in having that belief. Economic power can become centralized through economy of scale, whether it is large monopolies, banking, and so forth, which tends to concentrate power in certain areas. I think that is a negative aspect. You get an unjust distribution of the country's wealth, and this is really one of the things that this budget has done is complement the federal budget.

* (1430)

That is the direction that I believe we are moving into as we see cities such as Vancouver and Calgary, Edmonton to some degree, Toronto to some degree, getting and receiving all of the capital power, and the future prospects look quite well.

Then we go into a command social economy which is completely opposite of the classic capitalism where we find that there is never enough government, albeit that it is easier for government to have more of an influence in terms of the macroeconomic systems or economies, that there are very strong negatives to that in terms of private development and private initiatives, and something

that we have to, I believe, stay away from. That concept that government can never do enough, that government should continue to go into all aspects of society.

Mr. Speaker, the Liberal Party believes that the government has an economic and social role to play in our economy. It is important in terms of monopolies. If we are going to have a monopoly on a particular industry such as a utility, telephone, it is best operated by the government where taxpayers benefit the most. It is better in the sense of nation building that if you have government action in different sectors of the economy, the government is better able to control the direction on how it sees the nation—or the direction that it believes the nation should be moving towards. That is something that has been very lacking both at the national and at the provincial level.

Mr. Speaker, in Keynesian theory, it talks about how government should be spending during recession and during good times governments should be saving and possibly paying off debts that would have been accumulated during recessions. In short, during economic growth, governments should be spending with constraint, and during recession governments should be spending more money so that it minimizes the effect of the recession to prevent the whole boom-versus-bust cycle, to level it out.

I believe government does have a role to play when it comes to that. That is really, I guess, where we differ from the Conservative Party. The Conservative Party is sticking to its beliefs that the private sector or capitalism—the whole classic capitalism theory is applicable in times of this nature, Mr. Speaker, and that is where I disagree. We can only hope that those who are more moderate in the Conservative caucus, like the member for Portage la Prairie (Mr. Connery), bring the Conservative Party a bit more to the left, because in fact this is a right-wing budget.

(Mr. Bob Rose, Acting Speaker, in the Chair)

Mr. Acting Speaker, in Manitoba we have a number of parties that represent all spectrums of the political scale, some getting more powerful than others. No doubt the Conservatives will be looking over their shoulder at the Reform Party as the Reform Party approaches very high in the polls. I am somewhat worried about that in the sense that they are a bit further extreme. Some of their policy

initiatives are very scary, and it worries a great number of people.

Then we have the Conservative Party, and then in the middle we have, of course, the Liberal Party that has been able to run the country on the national level at least for the better part of a century. The NDP have been in some provinces; in particular, Manitoba, Saskatchewan and B.C. have had governments, and now we see them in Ontario. I believe that their approach is just as wrong as the Conservative approach when it comes to governing the province. They are quick to condemn the government of the day, but had they been more responsible in their spending or their appetite to spend money during what were good times, we would not be in as bad a shape as we are today.

Manitoba has been fortunate in the sense that we -(interjection)- but I guess the bottom line is that you cannot hide forever the opinions. Everyone is looking over at the New Democratic benches and asking the question why there are only two members. I do not know why people in the Chamber are surprised; Mr. Acting Speaker, that is quite well. I have seen it when they are down to one in this Chamber. Their priorities are not to be inside this Chamber. That can be seen every day inside this session, unless it is Question Period, when they feel somewhat obligated to have at least 50 percent of their caucus here. When it comes to the governing of the province and listening in terms of what all parties have to say, they are somewhat delinquent.

I did want to comment, Mr. Acting Speaker; I was saying that the bottom line is that they cannot hide forever what each political party believes in. If we look at the budget that has been introduced just a couple of days ago, you will see the strong Conservative leaning in that budget. I will go into detail on some of those. If we look at the previous NDP budgets, you will see the spending during good times, so we go from one extreme to the other extreme.

The Conservatives listen to a few elite, business. They cater to certain individuals -(interjection)- well, it is true. As I pointed out, I read out the letter—not all Manitobans were sent this letter; just a few select individuals were sent that letter in order to raise funds.

The NDP listened to a few, and I stress a few, of the union leaders in terms of closest to that

command socialist theory. They do not really have any principles. In office, they say one thing; out of office, they say another thing.

Mr. Acting Speaker, I would say that the Conservative Party, on the other hand, does not have the conscience other political parties do have, that we do see the right-wing agenda coming out far too often than I would have liked to have seen. Because we were in a minority government, they had to watch themselves a bit more carefully, so we did not see that right-wing aspect, for example, the laying off, the cutting back on government expenditures would not have happened had there been a minority government. One has to call into question who the allegiances are of the two parties. I made reference to the corporations. In terms of the NDP, I could speak for hours in terms of who contributes to the New Democratic Party.

Mr. James Carr (Crescentwood): Leave.

Mr. Lamoureux: The member for Crescentwood (Mr. Carr) grants me leave to do so.

Mr. Leonard Evans (Brandon East): It is the members of the party contributing.

* (1440)

Mr. Lamoureux: The member for Brandon East (Mr. Evans) says members from the party pay. Mr. Acting Speaker, I could show figures that show unions that contribute well over \$100,000 to the New Democratic Party. I could table documents that show the contributions to independent MLAs, such as the member for Selkirk (Mr. Dewar) or, as some would like to prefer him, the member for Edmonton, where all of his contributions are from unions in Edmonton. Like the Leader of the New Democratic Party, \$5,000 from the MFL, and those were the honest ones that campaigned. Most of the contributions, including the member for Brandon East, put zero on their election returns. Instead, they had the money go through the party so that we could not tell who was donating to their campaigns.

Mr. Acting Speaker, I digress somewhat, and I do want to get back on in terms of the whole question of philosophy and what philosophy would serve Manitoba best. The Liberal Party has called for a panel of representation from labour, management, education and government to look at our economy, and that is needed. That should be acted on by this government. If you take a look at the economy, all

signs are indicating in fact that we are going down. It is a panel that is long overdue.

The unemployment rate in Manitoba from October of 1990 at 6.1 percent to now where we are in the double digits at 10 percent. People are scared. They do not know what lies ahead of them in terms of purchasing major items, whether it is a house, whether it is a car, appliances or the basic necessities of food and shelter. I believe the unemployment rate would be higher, had it not been for the number of people that are leaving the province of Manitoba. -(interjection)-

The member for Elmwood (Mr. Maloway) says, call a quorum. He still has two members in the Chamber. It is amazing.

When we look at the employment, the actual unemployment in Manitoba in March of '91 was 481,000. Out of that, 100,00 of them are part time. The part time has stayed somewhat consistent from March of 1990 at 100,000, whereas the full-time jobs were at 498 in March of 1990. So we are losing good full-time jobs. Even though the government has been successful in creating some jobs, those jobs have been, in large part, part-time jobs. Those are not the same. That is not what people are in fact looking for.

As I point out, many Manitobans are choosing to leave Manitoba because they do not see the jobs in the future. The government is not doing anything to demonstrate that they are willing to provide, in any fashion, whether it is through grants, incentives to business or any initiatives that are coming out from government to demonstrate the will to create the jobs that Manitobans feel that are not here. So as a result, we lose.

I had read in the Globe and Mail when they had some statistics come out in regard to overall jobs in comparison of this session to the last session. Mr. Acting Speaker, in March of 1990 to March of 1991, Manitoba lost 15,000 jobs. In the recession of June '81 to June '82, Manitoba lost some 6,000 jobs. That is 9,000 jobs that have been lost in this recession over and above what was our last recession back in 1981-82.

That concerns me, because what it is saying is that Manitoba is no longer as diversified as it was in the past, that the whole question of the boom and bust cycle is starting to affect Manitoba that much more. That has to be addressed. The only way that can be addressed is if we have actions from the

provincial government and in part from the federal government, to diversify our economy, so that when the business cycle approaches us that we are better equipped to weather the storm, if you will. Last year, in fact in Manitoba we had a net loss of 8,836 Manitobans.

Mr. Acting Speaker, what is the government doing? The CareerStart program had been decreased by some \$2.8 million, the youth special employment program cut in half to \$3.5 million. The government is doing the opposite. It is not trying to show incentives or bringing things to show that there is movement towards the creation of new jobs. It is cutting back programs that do give hope for people who are feeling obligated to leave the province, because they do not have any opportunity. They would just as soon stand at the borders and wave good-bye to the individuals who are leaving the province.

Bankruptcies are higher than ever. In 1990, 417 business bankruptcies; in 1982, we had 373 business bankruptcies. I find them to be very interesting figures to compare to, Mr. Acting Speaker, because in fact it was a very deep recession that we were into during that time, and Manitoba, even though hurt, weathered much better through the '81-82 recession as opposed to the recession that we are now well into.

In terms of personal bankruptcies, in 1990 we had 1,890, and in 1982 we had 1,114, a significant increase. I believe it is significant enough that all members of this Chamber should be concerned, and all members should be asking in terms of what type of things we should be doing in Manitoba to try and reverse the trend that we are currently going into.

The Minister of Finance (Mr. Manness) says that we are heading out of the recession, but does not give us anything that we can look at to prove in fact that we are heading out of the recession. In fact, Mr. Acting Speaker, the GDP prediction for the province of Manitoba for 1991 came out by two banks in terms of growth. The Royal Bank had .1 percent in terms of growth. In turn, the T.D. Bank came out with a negative prediction of minus .5 growth.

When I was a student in economics, this would have been a classic case of stagflation. Stagflation occurs when there is zero growth and an accelerating inflation rate while at the same time we have an increase in our unemployment. Stagflation

is something that is very serious and has to be addressed, and the government of the day has not even acknowledged the fact that we are in a stagflation period and is doing nothing really to get us out of it.

* (1450)

If we take a look at some of the more recent shutdowns or layoffs—of Paulin's where we had 290 employees affected; we had the Burns in Brandon of 145 employees; Campbell Soup of 167. Even the deals that this government is reaching with the private sector—in terms of Repap, what has happened to Repap? We were promised hundreds of jobs when that sale was made. Mr. Acting Speaker, we have not seen any indication at all that Repap is going to be living up to their commitment. What is the government doing to ensure that they do live up to the commitment?

This government does not feel that it is necessary to kick-start the economy. Once again that goes into that whole classical capitalism theory where they feel no matter what the economics—or certain members of the caucus feel—it does not matter what the economics are like, whether it is stagflation, whatever it might be, that the government's best role is to have no role in the economy. That is what is winning out on this particular budget.

Mr. Acting Speaker, the private sector is collapsing as our small business in which everyone in the Chamber I would hope would admit is the engine of our economy. It employs the largest number of people, small and medium-sized business that is. Once again there is nothing out there for them as we have seen programs cut.

Manitoba's future is fairly bleak if we take a look at what the Conservatives in Ottawa are doing and the Conservatives in Manitoba are doing. We take a look at the whole question of the Free Trade Agreement, the Free Trade Agreement that was entered into by Canada and the United States. It was agreed upon from all political parties and all different interest groups that there will be a lot of job displacement.

What is the government's commitment to find new jobs for those who have been displaced as a result of the free trade deal? The provincial contribution is less than two cents per worker, per job. I would suggest to you that in fact is not a commitment.

What surprised me is that they have increased minimum wage. That kind of counters to a certain extent some of the thoughts of classical capitalism but it is encouraging to see. When I look at a chart across Canada, Manitoba is right around the middle now with that increase up to \$5 an hour. I give credit to the government for acting on it and bringing it up. I do believe that it has to be reviewed on an annual basis, that we should not be waiting two, three years and then whenever the government of the day feels it is appropriate to increase it, whether it is for political reasons, whatever it might be, that they go ahead and do it. It is one of those things, Mr. Acting Speaker, that should be done on an annual basis in terms of whether minimum wage should be increased. That is not to say that it has to be increased every year, but it should be reviewed every year. We should be at the very least maintaining, even during a Conservative government, I would suggest, in and around the middle one compared to the rest of Canada. Hopefully that will happen.

I wanted to touch upon the revenue to the government. In going through the revenue Estimates, Mr. Acting Speaker, one of the things that come up time after time whenever I get an opportunity to speak is in regard to the Fiscal Stabilization Fund. I have spoken on a number of occasions regarding the Fiscal Stabilization Fund—(interjection)—The Minister of Natural Resources (Mr. Enns) says the great rainy day fund.

The fund itself would not have been that bad of an idea had it been created with a surplus of funds from previous years of the past. Then I might be inclined to say the Fiscal Stabilization Fund was a good idea, but we have to look back a couple of budgets to find out why we have the Fiscal Stabilization Fund. We have the Fiscal Stabilization Fund not because of good management from this government, it was more because of good luck. At the time, the equalization—

Hon. Harry Enns (Minister of Natural Resources): It was precious little good management that we inherited from the other . . .

Mr. Lamoureux: I will not debate that with the Minister of Natural Resources, but the reason why we have the Fiscal Stabilization Fund was because of a windfall of revenue that the government received.

That windfall of revenue came from basically three different areas. The equalization payments were higher than expected; the mining tax was higher than what was expected; and what I really enjoyed was what this government had to say when the former Minister of Finance, the honourable Eugene Kostyra, brought in the 2 percent flat tax, every one in the then Conservative opposition benches stood up and said that this was a gouge of the taxpayers of Manitoba, that they were robbing from the taxpayers of Manitoba. The Minister of Natural Resources still holds that opinion.

Mr. Acting Speaker, what did they do with that revenue that they received from the former minister, Eugene Kostyra? That, too, was used in part for that so-called rainy day fund.

An Honourable Member: You were against that.

Mr. Lamoureux: Darn right, I was against the Fiscal Stabilization Fund. The reason why, Mr. Acting Speaker, we are against the rainy day fund, two years ago we should have had a surplus budget. We should have had between \$45 million to \$50 million surplus budget. What did the government choose to do? Rather than showing a surplus budget, they chose to borrow \$150 million, take the surplus and create a debt and a Fiscal Stabilization Fund.

(Mr. Speaker in the Chair)

At the time, Mr. Speaker, I said that the reason for the creation of the Fiscal Stabilization Fund was to make the government look better in the up and coming years by reducing the deficit. That is in fact what has happened, but you borrowed money, you increased the deficit in order to make this deficit look better.

Mr. Speaker, I am sure that the accountants in the Conservative caucus would have to agree with the Liberal Party's opinion on the creation of the Fiscal Stabilization program. I look to the member for Rossmere (Mr. Neufeld) who I know is an accountant. That is something that I will never understand in terms of how they could justify it, but equally I was very surprised that the New Democratic Party would support the Fiscal Stabilization Fund then and now they are criticizing it.

Hon. Clayton Manness (Minister of Finance): You want to spend it.

Mr. Lamoureux: The Minister of Finance (Mr. Manness) says, we wanted to spend it. Well, that is as I say, we do not believe in classical capitalism. We believe government does have a role in terms of getting the economy going. Using a Fiscal Stabilization Fund to kick-start the economy, Mr. Speaker, will do a lot more in keeping Manitobans in the province of Manitoba than doing what the government is doing.

Mr. Speaker, I do not question what the government is saying in terms of the concern of the deficit. I, too, am concerned about the deficit. -(interjection)- The Minister of Finance (Mr. Manness) says, baloney. I am concerned about the deficit, but there is a time to be concerned about the deficit, and I was about to say that there is a time not to be concerned. We should always be concerned about the deficit, but during a recession the concern on the deficit should not be our first priority.

Mr. Speaker, what should be our priority is the state of Manitoba's economy and how we can best serve the economy. We have to get that whole classical capitalism, put it to the side and do a lot more moderate thinking when it comes to tackling the economy here in Manitoba.

As I point out, we have to address the whole question of stagflation. Part of addressing that question means that we could have used the Fiscal Stabilization Fund. I would argue we should have used it much earlier, but we could have used that to kick-start, to bring in programs that would give incentives for small business, medium-size business, to create jobs, to provide the jobs that are necessary in order to keep Manitobans here.

* (1500)

Then, Mr. Speaker, during good times, we can shift priority No. 1 from the economy to the deficit, if that would make the Minister of Finance (Mr. Manness) happy, but that is what we believe has to be looked at. During good times you can afford to do some of the things that the government is doing. During bad times, during recessions, you have to be able to minimize the recession, and the government is not minimizing the recession. They are worsening the recession. -(interjection)-

Well, the Minister of Natural Resources (Mr. Enns) and I disagree on that then, but we will have to leave it at that. Mr. Speaker, we look at other revenues, the retail sales tax. Once again, that

demonstrates that consumer confidence is low. We have had a decrease in revenue. That, in itself, tells you that consumers are not spending as much as they were last year, that the recession is, in fact, continuing.

If we take a look at the corporation income tax, which has decreased from \$173 million to \$91 million, in part for the reason that there are fewer businesses, and in part that profit itself is down.

Mr. Speaker, I am concerned about the transfer from lottery revenues of \$20 million. The government, I believe, has said that it is a one-time thing, but my concern is that this one-time thing is going to become more of an annual thing, that the government of the day wants to shift the lottery revenues into the general revenues. I think that is a bad thing. What is really necessary is that the lottery revenues should be used for one-time projects that do not necessarily require ongoing costs, so that those projects, if you will, and initiatives do not have to rely on future lottery revenues being stable or, in fact, increasing to take into account cost of living increases.

Mr. Speaker, the government layoffs are something else that concerns a great number of Manitobans. Once again, the government has shown, in an uncompassionate way, how one releases employees, and it is somewhat unfortunate and sad to see people being watched over, desks being cleared out within hours of notice, but we have seen that in terms of the whole question of decentralization.

Nine hundred and fifty-eight direct jobs are going to be cut from the government and what was very interesting was the Natural Resources, where we see 231 jobs. If you look at Natural Resources and where the people are employed, I would ask who are these people that they are cutting? The government talks about decentralization and getting more government in rural Manitoba in order to help out the rural economy, but the decentralization plan—

Mr. Speaker: Order, please. The honourable member's time has expired.

Mr. Marcel Laurendeau (St. Norbert): It is my privilege to stand before the House today and add my comments on this year's budget for the record. I would like to begin by recognizing the efforts of the Minister of Finance (Mr. Manness), the Treasury Board and the numerous staff persons involved in

preparing one of this province's most difficult and critical budgets. The fiscal realities facing Manitoba require strong leadership and a practical commitment to the vision of our future. I believe this budget clearly addresses that reality.

Manitoba's fiscal challenge is a result of a number of factors. Time and time again the people of this province must pay for the economic mismanagement of the past. Tough decisions must be made today because of irresponsible decisions that were made yesterday. Manitoba's debt load and the resulting interest costs are devastating to the future of this province and completely unacceptable.

As incredible as it may seem, we in Manitoba are facing a total debt of almost \$11.5 billion. The interest costs are staggering, \$550 million or 45 cents out of every dollar Manitobans pay in personal income tax. The remaining 55 cents of every dollar must be prudently spent in order to ensure the quality of our services, and as a result decisions regarding priorities must be made. We can no longer afford to increase our debt, a debt which stands at \$10,474 per Manitoban, man, woman and child.

Manitobans, indeed all provinces must also contend with a serious national recession. Though Manitoba's position is relatively positive in comparison to other provinces, we suffer the effects of reduced transfer payments and programs and offloading. While we recognize that the federal government is also facing a considerable economic burden, we will continue to seek fairness from the federal government for the benefit of all the provinces.

It is clear now more than ever that the financial control is the key to economic well-being. A province consumed by debt and saddled by excessive taxes is in no position to attract new investments so necessary for long-term renewal. Anyone can see that creating a dynamic and challenging climate for industry, establishing a competitive economic sector, and maintaining the quality of our social services under our current circumstances, is a daunting task indeed, yet that is what this government is committed to doing and that is what this budget is designed to accomplish.

In the face of one-half of 1 percent growth in revenue, I commend the honourable minister's new approach to government spending. In order to

ensure that our priorities in health care, education and family services continue to receive a level of funding which maintains their high quality of service, we must redirect a portion of our tax dollars.

Internal reform will ensure that more of the average Manitoban's tax dollar will go towards actual service rather than administration. It is not with pleasure that we reduce administration and executive level support. However, the dollars saved through initiative service delivery will ensure that we meet the needs of Manitobans.

To the end of maintaining priority spending I am pleased to support the new Estimates process. Any one who has had any budgetary experience, be it on personal or business level, knows full well the importance of assessing costs and setting priorities.

We have all faced the fiscal constraints of a mortgage or some other substantial investment, and have had to deal with prioritizing the remaining dollars to maintain the quality of life for our families. The province also has substantial commitments, namely the taxes, the deficit and the overall debt. We must ensure that the remaining dollars are spent on our priorities for it is not just the quality of life for an individual family, but for families throughout Manitoba, which are at stake.

* (1510)

In these times of fiscal responsibility, when many Manitobans are expected to be realistic in their demands, it is only fair that the public sector wage be moderated as well. Salaries continue to be one of the largest costs in most areas of government. Limited government revenue dictates that these costs must be kept at a reasonable level, a level which does not detract funds from other priorities or induce settlement-driven layoffs. The two-year contract offered to the MGEA is an attempt at a fair wage negotiation and should not be viewed with pessimism.

At this point it is a pleasure for me to remind our critics of our commitment to fair taxation. For weeks I have been listening to the dire warnings from across the way concerning harmonization and potential tax increases. Perhaps they can think of no other way to deal with our economic situation than to raise taxes. One need only look at the number of increases between 1982 and 1986 to evidence that point.

This government is a little more original. We have reversed that legacy of yearly tax increases and maintained our commitment to hold the line on personal, retail and general business taxes.

This year's budget also does not harmonize the provincial tax with the GST. A taxation system should not overburden the average taxpayer, nor should it discourage investment and possible job opportunities.

Even though we are facing revenue constraints this government is confident that its taxation initiatives are a positive step towards Manitoba's future. While taxes are not raised in some areas, fair and necessary increases in other areas provide us with a much needed \$32.5 million in increased revenues.

Tax incentives also play an important role in this government's attempt to achieve a strong economic foundation and business climate. We want to keep Manitobans' investments in Manitoba. We want our employees to improve employment prospects by garnering ownership positions in their companies, and we want to encourage employee training, investment ownership training. All have been encouraged in this budget through taxation incentives. All are vital in ensuring that Manitoba has a strong and competitive economic future. We intend to be proud of our taxation policies.

Fiscal responsibility as well as fiscal accountability has been stressed throughout the whole of the budget speech. Keeping in mind that we no longer bear the burden of high overheads and administration costs, our government, through early retirement, attrition, work force adjustment, deemed it necessary to reduce the provincial Civil Service.

Severance assistance will be provided to those individuals affected by the proposed layoffs. I cannot stress enough that we will take the appropriate steps to reduce the minimum impact of these measures upon civil servants and Manitobans generally.

In order to maintain quality services the people of Manitoba have become accustomed to, it was deemed necessary to reduce grant levels in certain areas. We must, as a province, prioritize how the tax dollars are spent. We must fiscally be accountable to the people of Manitoba. We cannot afford, especially during tough economic times, to repeat the mistakes made under past administrations.

Although some agencies will receive increased funding, certain agencies will remain the same, and unfortunately there will be some agencies that will have their funding reduced. Again let me stress fiscal responsibility as well as accountability. Resources are not endless.

In order to maintain certain spending levels, let us remember that no tax increases were introduced into this budget, a move which can bear no criticism. As a government, it is important that we look to the future, a stable future for the upcoming generations. Responsible fiscal management of our province cannot be stressed enough. Under previous administrations, the debt increased measurably. We now face the task of trying to control this deficit. By doing this, we will enhance our ability to provide services on an affordable basis. Limiting of tax increases says to the people of the province that we are committed as a government to Manitobans. Transfers from the lottery revenue as well as from the Fiscal Stabilization Fund will increase overall revenues.

We need to stimulate the economy, and this is the budget to do that. It is tough economic times, and where federal transfer payments are reduced and rising interest costs on past borrowing are high, it will be a difficult task to stimulate the economy, but we are doing it and we will continue to do it. We have the mandate and are carrying out that mandate. Our government is leading the rest of Canada in fiscal responsibility and is demonstrating that Manitoba is a strong province ready to lead this country into the next century.

As a government, we will not allow our difficult economic situation to deter our commitment to strengthening rural Manitoba. As much as \$43 million is being made available to help Manitoba farmers deal with the low market prices as well as the years of drought they have experienced.

Community Places grants will be extended to assist local organizations in community improvements. A substantial amount of money, more than \$100 million, has been allocated for highway construction improvements.

We have also committed funds to sewer and water infrastructure and droughtproofing. These initiatives, along with other measures, will ensure that sustainable economic and social development in rural Manitoba will continue at a cost-effective

level for this province. This government does not believe in isolation and abandonment.

Before I close, I would just like to stress a few of the points I have made. I reiterate the need for fiscal responsibility and accountability. These are essential in order for us to guide Manitoba through this recession. Prioritization is a key to proper fiscal management, close examination of how we spend limited tax dollars still ensuring that the services are readily available to all the people of this province. We cannot afford, especially during tough economic times, to repeat the mistakes made under the past administrations. Manitobans have all the government they can afford. Resources are not endless. Therefore, we must be accountable to everyone.

We must look to the future of the province, a future we want to be proud of. Mr. Speaker, I am proud to be a part of a government, a government which is taking the measures necessary to ensure a strong, competitive and socially responsible Manitoba. It is without reservation that I say to my constituents and the people of the province that the 1991 budget is part of the solution, part of the long-term strategy and part of our future. Thank you, Mr. Speaker.

Mr. Jim Maloway (Elmwood): Mr. Speaker, I am very happy to rise today to speak to the budget.

Before I begin, I would like to make some comments on one of the speeches made by the previous speakers, the member for Inkster (Mr. Lamoureux), when he went on at length about the record of the previous government and made some comments, in fact, about the attendance of our members in the House. I want to point out at this point that our members are currently meeting with the National Farmers Union and the members of KAP, Keystone Agricultural members right now. We feel it very important to meet with the delegates who have come in to talk about agricultural issues.

It is out of order for the member for Inkster to be making aspersions about our lack of attendance here, particularly when those members are doing something very important at this point in time. I must admit, they were aided and abetted by members of the government as well, so they were certainly not guilt-free in this exercise.

A few other comments from the member for Inkster (Mr. Lamoureux) deserve some attention. He once again brought up the issue of the election contributions that were declared by the members of

our party. It should be pointed out at this point that we have a different method of accounting than his party does. All of our contributions are declared to the central party. Lists will be made available. They are public lists. They are available to anybody who wants them.

The difference is that the other two parties evidently file their election returns based on contributions to individual candidates. On the other hand, we have for years filed ours on the basis of contributions to the central party. It is an accounting practice; it is acceptable to Elections Manitoba. It is something we have been doing for years and something, I suppose, we will continue to do.

To have the member for Inkster (Mr. Lamoureux), aided and abetted by his colleague there, the member for Portage la Prairie (Mr. Connery), spouting all this nonsense on a continuous basis really has to stop, because it is not accurate. It is not accurate at all. There is nothing wrong with the way the party is filing the financial statements.

* (1520)

Now, Mr. Speaker, I just cannot let some of the comments that the member for Inkster made concerning the responsibility of the Liberal Party or lack thereof over the last couple of years go unchallenged. I think that pretty well every member in this House can attest to the fact that in the runup to the last election, the Liberal Party was on record as promising an incredible \$700 million in expenses. That was before the election was called.

Then, when the election was called, they went on their merry way promising another perhaps \$200 million in expenses. Absolutely irresponsible. The fact of the matter is that we saw what happened in the election. I mean, obviously, people believed that that was an irresponsible position for them to take, to be promising so much when people realized that we did not have the resources that they were making it out to be.

The NDP in that last election, if you take a look at our campaign promises, will recognize that our promises did not add up to an awful lot in terms of financial commitments. We did not promise to spend buckets full of money, such as the Liberal Party promised in the last election. Now it is interesting to note how the Liberal Party has moved over the last three or four years. They started out on the left and they gradually moved over to the right as they got closer to power. They started sounding

like Conservatives actually, you know, espousing the lines of the corporations.

The election is over, the people have expressed their will, now the Liberal Party is trying to purify itself again, trying to move to the left again. They are trying to head back to the left, they are trying to suggest that they are identifying with poor people in the province. They are trying to distance themselves from the corporations, all except their Finance minister.

There seems to be a split in the seven-person caucus over there. The Finance critic seems to be off on a road by himself, and the Leader and a couple of others seem to be on the other track because just the other day, as a matter of fact Monday, April 15, was that not just two days ago? The 15th of April, that was just this past Monday, on the Peter Warren show, their Finance critic, the member for Osborne (Mr. Alcock), said: I must confess that I have to support what he is doing—in reference to the Minister of Finance. While I am in opposition, I still think he is taking a very cautious approach in ratcheting down the cost of government, and I think that is the right thing to do.

Now Peter Warren, a very reserved, conservative sort of individual, his response was, that is an incredible statement coming from an opposition Finance critic, saying that the current minister is on the right track. Well, of course, at that point the member I guess realized the error of his ways and backed off a little bit, but not before he said that he agreed with the government's attempts to reduce the level of public expenditures and he thought that he would support him.

Well, that is the member for Osborne, the former heir-apparent to the Finance minister's job, agreeing with the current Finance minister, and then the Leader of the Liberal Party, 48 hours later—it is a two-hour speech—saying the exact opposite, basically back to the old spend, spend, spend philosophy that we saw in the Liberal Party just prior to the election campaign.

I can give you an example of where their movement from one side or the other was even more compressed in time. I remember a bill that they were addressing last year, I believe it was The Business Practices Act, where in the space of one afternoon, in fact just one speaker after another, the Liberal Party changed from taking a supportive role on the bill from the one speaker to a role of being

opposed to the bill by their very next speaker. Evidence there that even the critic and the next speaker could not agree or had not communicated on what the Liberal Party's position is.

Once again, that is all part of the growing pains of the Liberal Party, and, of course, that book is still being written.

I imagine that we will still be here talking about this a number of years from now. The member for Inkster (Mr. Lamoureux), if he is still here, will still be making his speeches, but I wanted to get into the whole question here of the budget and how I feel that the Conservative government is finally beginning to show—the leopard is finally beginning to show its spots. The government is finally emerging as its true ideological—it is really starting to develop into its true ideological commitments that we have always said it would finally accede to.

This government for a couple of years had to pretend it was a moderate government. It declawed that pussycat from Pembina. It moderated that pussycat, and it has spent a little bit more money but, basically, it was all image. Of course, they won the election—just barely, just barely fluked a win and—

Point of Order

Hon. Donald Orchard (Minister of Health): Mr. Speaker, on a point of order, the member for Elmwood has just made some unkind remarks to me again. I simply want the House to know that he has voted for me for the Lady Byng Trophy of this session.

Mr. Speaker: The honourable minister did not have a point of order.

* * *

Mr. Maloway: Mr. Speaker, well, you know that is proof that the honourable member has taken direction well. He is a quick study, and he basically did what he was told in that minority government situation sufficient to moderate the image of the Conservative government and to get it just past that election last September.

They just about did not make it. I mean, the rainy day fund was running out of money, and they just got under the gate before the gate closed. I mean, that was an awful close call. That was a very, very close call for this government, but give them credit,

they made it just by one seat. Now, the true agenda will start to surface, and we will see the Conservatives as they really are. The real ideology is going to start to show itself particularly in the next couple of years. I believe they feel that they have the formula down now where they are going to try not to make the same mistakes that they feel Sterling Lyon did.

After all, Sterling Lyon fired a civil servant and called a press conference. They realize that there was a lot of smoke there, so what they want to do is try to put a different face on it. They are, in fact, going to exact more cuts, more firings, than Sterling Lyon even dreamed of, but they are going to try to couch it in a very, very moderate approach. That is to the credit, I guess, of their spin doctors, or their media people who they have, who are hired to basically keep the people like the member for Pembina (Mr. Orchard) under some sort of control, moderate his image and keep the government looking as humane as possible.

The fact of the matter is that we know here in this House, the hackers and slashers are out riding the range again. There are members here who were here back in 1981 who learned, who studied, under Sterling Lyon, and they do not want to make the same mistakes that he did. They are going to try to have the same effects as Sterling Lyon, to do the same things as Sterling Lyon, without having to pay the consequences, which of course will ultimately result in the demise of the government, if in fact they get that far.

This whole question of the road that they would take is in fact in our minds sort of predetermined. I do not think there was any question that this is the road they would take, but they tried to, for a couple of years anyway, convince people that they had changed, that they had changed their approach. The fact of the matter is they are pretty much in lock step with the federal government on fiscal matters.

It did not take any amount of imagination to be able to assess what this government would do based on what the federal government did just a couple of months ago. Their attitude is let the markets govern themselves and basically absolute slavery to market forces and wring your hands and not accept that there is anything you can possibly do to alter the course of the market. As a matter of fact, their belief is that the free market, unfettered as

it is, is the best type of economic system to have. That is fair ball because that is their philosophy.

* (1530)

Well, the federal government came down with a budget a couple of months ago consistent with that philosophy. So it should come as no surprise to anybody in this House that this particular government should follow suit and that we would have a similar type of laissez-faire approach.

Now these approaches, historically, have worked in some instances but at great pain to the people who are especially at the lower end of the economic scale who are subjected to the effects of the budget, but they work only because the economy inevitably recovers. We have had, over the last couple of hundred years, a cyclical form of economic activity whereby we have a recession and then we have good times and then we are down to a recession again.

What a Conservative government does is basically tries to let the market take its course. Therefore when the market dips and the unemployment levels are high, they say, well, you know, there is no role for the government here. We have to keep our hands off. We have to have a hands-off approach. Let the market solve its own problems.

Meanwhile thousands and thousands of people are put out of work. They are on the streets. They are lined up at food banks. Social services are chopped because in their views they are only something that can be sort of as an accessory to the capitalist system, something that you can have only when you have excess money, but when times get tough those are things that get slashed.

There is no recognition that perhaps efforts are required in a recession to nurture the economy through it, to help the economy through it a little bit and perhaps speed the growth, because what happens is that if you follow a Conservative approach through recessionary times it is sort of like a domino effect or a house of cards.

When you lay a thousand people off, or a business goes bankrupt—and over 400 businesses in Manitoba have gone bankrupt in the last year, and in fact, over 1,800 individuals have gone bankrupt. Those are statistics, and it is easy to fail to recognize what they really mean in human terms.

When a business goes bankrupt, when an individual goes bankrupt, there is a lot of misery there, and there are a lot of repercussions that occur, because when the business goes down, it oftentimes takes other businesses with it.

When an individual goes bankrupt, there is often a marriage that goes with it, and other serious problems develop, which, in the end, end up costing society a lot more in terms of social costs. After all, when a person is unemployed, they must go to the unemployment insurance system or they must go to the welfare system. They cannot possibly feed their families properly, so medical costs go up because people get sick because of it. Crimes increase because people when they are unemployed resort to alcoholism and drug addiction and other vices. That presents a lot of negative effects on a society and costs to the society because you cannot kid yourself. In the end, the society, the taxpayer, the one taxpayer that the Conservatives constantly refer to—that one taxpayer is caught footing the bill for all of those costs.

I do not believe, I never have believed, that you can restrain an economy into prosperity, but that is the basic tenet of Conservative philosophy. In fact, historically, a lot of this amounts to just talk though even from Conservative governments. If you look at Conservative governments over the period of time in Canada, a lot of them talk a good line on restraint and so on, and some of them practice it, but in actual fact they leave terrible records behind them of deficit reduction.

I have not found Conservative governments anywhere that actually do what they say they are going to do. After all the pain of living through a Conservative government as handling of a recession, you would think that you would have something to show for it. You would think that at least at the end of it you would have a surplus budget to show for it. That has never happened.

It seems that whenever the Conservatives do get in on a program of reducing the deficit and running a more efficient government, what happens is they end up leaving it in worse shape than when they started. I mean, look at Sterling Lyon. He left us with a much better situation.

As a matter of fact, in 1981, I remember talking to architects and engineers during the election campaign. These architects and engineers wanted nothing to do with the Conservative government of

the day. As a matter of fact, they would tell me one after the other that they were not NDPers, that they had never voted NDP—in fact, they did not really like the NDP—but they could not stand the Conservatives. They felt forced to contribute money to the NDP, and they felt forced to vote for us because what the Conservative government of Sterling Lyon had done was basically shut down the economy. There was no building construction going on. The architects were unemployed. The engineers were unemployed. This is the sort of misery that was brought upon these professionals in Manitoba. A lot of them left the province. They went elsewhere to find new opportunities. A lot of them got involved in the NDP, even though, as I said, they had never supported the NDP before. They did so only as a reaction to what they saw this Conservative government doing and the lack of action that they saw from the Conservative government.

The Minister of Natural Resources (Mr. Enns) knows full well, because he was here during that period, what happens when the economy starts to crumble and one business takes down another, and you have this whole domino effect, and then the government pulls back and does nothing. He knows what happens once a situation like that starts to develop. It is not a very pretty sight.
-(interjection)-

Well, the Minister of Health (Mr. Orchard) wants to know what my solution is. I have to draw his attention back to his former member for Niakwa, Mr. Kovnats, when he was in opposition, and this is a very famous quote. I guess it bears repeating again. It has been repeated many, many times over the years. He had said, when the Conservatives were in opposition and the current Minister of Finance was up at his desk cringing as his backbenchers were constantly demanding that more money be spent on this road and that bridge and this project, and the member for Niakwa said, that when you are in opposition you can have it both ways. That is what he said. You know, he said
(interjection)-

Well, no, I was anticipating that the Minister of Health would say that I am saying that. I am telling you what the member for Niakwa said when the Conservatives were in opposition and they had three-quarters of their caucus demanding the expenditure of all sorts of money, and the Minister of Finance was trying to put a reign and put some

responsibility on the caucus to develop a coherent and consistent sort of line on the financial side of it.

I think the Minister of Health will agree that we have shown some restraint, that we have shown consistency on our side both in the election and in the House. You have not seen a whole lot of demands for enormous amounts of money. Whenever we have promised something or we have asked for something, we have been careful to cost it out and take into account what that costing would do, unlike what the Liberals have been doing in the last couple of years. We would suggest that they take a leaf from our book and perhaps be a little more responsible in what they promise.

* (1540)

So the new hackers and slashers are in the saddle here, and it is going to develop for them. Perhaps they feel they are in a different sort of environment now than they were back in 1981. There was some suggestion that in fact people are more willing to accept cuts now than they were in 1981, that people who are unemployed today are going to accept it a little more than they did then. I do not believe that that will be the case. I think you are going to have big demonstrations here in front of the Legislative Building such as we had back in 1981, such as we saw with the Autopac demonstration back in 1987. Maybe we will be seeing demonstrations that will be large enough to rival those. The hay wagon will be out here, and the cassettes, or maybe a CD player now, will be playing "We're not Going to Take it Anymore" or the equivalent of the day. Maybe a rap tune now -(interjection)- Twisted Sister, the Minister of Health (Mr. Orchard) indicates.

I am sure that the people who will be out there will have that in mind and will come up with the appropriate song for the day and the appropriate method of handling the government and the Minister of Health. That is all part of what one accepts, though, when one accepts the duties of government. That is why it is not my job to be giving the government its alternatives.

We will certainly provide those where possible. By the way, the Minister of Health should be aware that we have had now only three speakers up on this debate, but I believe all three of our speakers have commended the government for at least two or three elements to the budget. We have said that their movement on the credits for people on social assistance, to spread those credits out and give

them to people on a monthly basis, is a very sensible thing to do, and that is applaudable. The member for Flin Flon (Mr. Storie) applauded the government for that, and I believe our Leader did as well.

The government's move on the beer can question, the major, major issue of the day, the NDP supports what they are doing in that, so let not the minister think that we are totally negative when we make comments about the government. We are not even totally negative when we make comments about the pussycat from Pembina, not entirely. He should not take that as exclusively negative comments.

In any event, the Conservative government, in their trickle-down theory, is going to have a devastating effect on our economy. One of our members just the other day was telling me that it is easy for the Conservatives to be in government because they really only have to keep the top two-thirds of the population happy, the group with all the money. They do not really concern themselves all that much with people at the lower end of the scale.

They can get away with cutting grants, such as they have to all the community organizations, and by the way, that is going to lead us into a lot more job cuts. We are looking at 800 jobs that are being eliminated; 300, 400 people are actually going to be laid off. We are probably looking at an equivalent number of people who in fact are going to be laid off through the related organizations that the government grants money to. It has no control over how many people are hired there. It basically has control over the grant money.

By cutting the grants to all these external organizations, what in effect is going to happen is that these organizations are going to have to lay off. For example, in the Sports Federation, they are going to have to lay off most of their work force, I would imagine. In fact, that department has been cut down to almost nothing. I do not know what the minister is even doing there any more. It is probably just an appendage to another department now. In fact, the grants to the Sports Federation and many others are going to result in a whole bunch more, perhaps another thousand layoffs throughout the system. What you are seeing is sort of a doubling of the layoff position.

In any event, the whole matter of the Conservatives' trickle-down theory and their having

only to answer to the upper part of the populace is worthy of some examination because they really only have to cater to the people with money. The people who have money, the people who have jobs, the people who are in a position of power and influence in the society are the people who vote for them and are the people who have the power and influence to keep them elected.

They control the media, they control various organizations, and so it is easy for them to go, and if they have to cut, to cut at the lower end of society, the people who earn minimum wage, the people on welfare, because those are not their constituents. Those people do not vote for them to start with, so as far as they are concerned that is fair game in terms of cuts.

It is also an area where there is a tremendous amount of money being spent. So that is a way for them to cut without cutting any of their core support, without alienating their own people, and that is why I believe they can maintain relative popularity.

On the other hand, when the NDP is in power, when we do things that try to equalize the taxation system and spread the wealth around, we are in fact taking money from those who have, and because they do not like to share as much as they should, at least a lot of them do not, they fight back. They kick, and they fight back in various ways, and one of the ways is they pack up and take their money to Florida, or at least they threaten to do it. That is a threat that they have always had over our heads. If we do not do what they want, they threaten to leave, and certainly they threaten to do things to manage to get us defeated. They have certainly ganged up on us before and done stuff like that before.

So it is much harder in a way for a left-of-centre government or an NDP government to govern the province, because we are constantly fighting battles on all sides almost, and it is quite a battle, but it is worth it in the end, because those of us on this side know that we are working for the betterment of poorer people in our society who are not going to get a fair shake necessarily from the free market system.

It is an illusion to think that somehow—we try to tell people that every little kid, you know in the north end of Winnipeg or on a reserve up north, you too can be the Prime Minister. You know, in theory that is correct, but in practice that does not happen, Mr. Speaker. The chances of a poor black boy or girl

from a suburb in a city in the United States becoming the President, you have to admit, is rather remote, but yet that myth in a capitalist system is there, that you too can do it.

It is sort of continued by the whole philosophy surrounding the casinos and the lotteries and all the other sorts of illusions that we try to conjure up in people and try to in effect sort of buy them off, fool them into believing that somehow they too can make that million dollars, they too can be the President or the Prime Minister and so on, when in fact it is just a dream. You know, it is just another soap opera.

* (1550)

I believe that, without being too boring, we should try to discourage that sort of get-rich-quick philosophy as much as possible. You know, it is nice to have goals. It is nice to sort of have dreams. It is nice to have dreams, but let us make them realistic. That is a big part of our problem in society, that the realism is not there to the extent that I think that it should be.

I think it can be done. There can be a sort of a moderate course taken whereby people can be a little more realistic in their dreams and that, but not be totally discouraged because, after all, the converse of this is that people get so depressed. You know, they commit suicide or run and put their heads in the sand and just do not involve themselves in the system.

(Mr. Gerry McAlpine, Acting Speaker, in the Chair)

Now this government, Mr. Acting Speaker, complained about the federal government and its offloading on the province. We have heard a lot about that lately. We believed it, too, until we looked at the budget information here which would indicate that in fact, from the federal government, the province is actually getting more than it did last year.

The federal government is in fact giving the province, I believe, about \$84 million more, perhaps it is \$99 million, but it is in that vicinity, so I guess the government has just lost another argument here. It was trying to blame the federal government, fed bash, as they used to say when we were in government. They used to accuse us of that pretty regularly. Now they are getting pretty used to the fed bashing because, I guess, it works for them. They tried to spin this story that somehow the federal government was offloading a lot of things

onto them and that was the reason why they had to offload onto the city and so on.

I wanted to draw your attention, Mr. Acting Speaker, to page 15 of the Manitoba budget speech where in fact the government says, federal offloading is adding to pressure on Manitoba's expenditures while reductions and entitlements to major federal transfer programs are restraining Manitoba's revenue growth. Then they go on to say, however, the solution lies in co-operation, in cost containment and in setting appropriate priorities, not shifting the burden indiscriminately.

Well, I think someone should tell the cities and the municipalities about that, because that is exactly what this government is in fact doing to the municipalities in this province.

One of the things that it is doing is, it is turning over, I believe, 2,000 kilometres of rural roads and highways to the -(interjection)- The member for Crescentwood (Mr. Carr) tells me that it is a \$6 million expenditure—turns it over to the local districts. Now is that an example of offloading or is it? This is the very thing that they decry in their budget books here, saying how terrible a thing it is that you should offload, and in fact they are doing the same thing, as blatant as can be. On the one hand, they are saying you should not be doing it; on the other hand, they are doing it themselves.

Now, the member is not within eyesight of me right now. I wish he were here because I always like to have him around when I am making a speech. He is sort of a sense of support for me. You know, when the Minister of Highways (Mr. Driedger) is not here, I feel kind of cut adrift and a bit lonesome, but the Minister of Natural Resources (Mr. Enns) is here, so he is sort of a friendly substitute.

The Minister of Highways (Mr. Driedger), you know, two or three years ago, did he or did he not promise to privatize the highways? He said he was looking at a plan to sell the highways. Can you imagine? He is going to sell No. 1 East to one friend. He is going to sell No. 1 West to another friend. They are going to break it up into little sections, you know, maybe one lane, until they run out of Conservatives, until they run out of good Conservative contributors.

Highway 75, I do not know what he is going to do with that one. I understand he was going to triple lane it, but his toll road plan got reined in real quick. The Premier (Mr. Filmon) hauled him in and said,

you know, Albert, you cannot talk like that. In a minority government, we do not talk like that. We do not talk about toll roads. The minister came out of the woodshed, and we have never heard another word. Not another word has been spoken by that minister about toll roads. As matter of fact, if you ask him and you try to find out when he is going to do it, maybe put in dubs on a couple of miles or two here or there, he does not want to talk to you about this.

I can see that perhaps things are changing, perhaps we are getting to the point where that toll road idea will be coming back in the government's mind, because they are turning over the highways. They are turning over 2,000 kilometres of provincial roads, of road construction and maintenance. They are offloading it to the local governments.

Let us look at the area of education and training. Look what we have had here. The Premier appears—those are the appearances—to have it in for the community colleges, and he appears to be strangling the community college at the expense of private colleges. He seems to want to privatize the education systems in our province so that his friends in private industry can own these colleges, can own a public education system—

The Acting Speaker (Mr. McAlpine): Order, please. The honourable member's time has expired.

Hon. Harold Neufeld (Minister of Energy and Mines): Mr. Acting Speaker, I am pleased indeed to rise and speak on the budget presented a few days ago by the honourable Minister of Finance (Mr. Manness), but before I speak on the budget, I have to comment on a few comments made by the previous speaker.

Let us dispel once and for all the myth that the NDP are somewhat more caring than the Conservatives. We are just as caring. We happen to have different ideologies. I think he should recognize that the free market system may well work. Their friends in eastern Europe, who tried the other system for 45 years and in some areas for as long as 73 years, have come to the realization that perhaps the free market system does indeed work a little better than the public ownership system. Mr. Acting Deputy Speaker—that is a long word—can I call you A-D-S?

I will indeed support this budget. Do I agree with everything that is in the budget? No, I do not agree

with everything in the budget. Am I going to vote for the budget? Yes, I will vote for the budget.

Some Honourable Members: Hear, hear.

Mr. Neufeld: Do I think that at this time this is the best possible budget we might have brought in? Yes, I do think it is the best one.

I in no way am changing my position. I am saying this is the best possible budget we could have brought in at this time. There are things that I do not agree with, but I have, over the years, in my youth, played on many team sports, and I know what a team player is. In the last 30 years, I have been a partner in a firm. I know what a partner is, and I know what a team player is. I will be a team player, and I will vote for this budget, while I reserve the right to be critical of some areas of it that I do not happen to agree with.

I will not attempt, Mr. Acting Speaker, to bring to this Chamber statistics prepared by economists, as many speakers have, but I will try to bring to this Chamber a layman's perspective of what I believe those numbers do, the reason for inflation and the reason for recessions.

Before I go on with that, let me bring to this Chamber some of my background so that you may understand the reasons perhaps why I have the philosophies that I do have.

* (1600)

My parents came to this country, in 1926, as immigrants who could not speak a word of English. Several years later, we had the market crash, and right after that, we had 10 years of depression. After that, there was six years of war, and after that, they could start to improve their lifestyle and save for their retirement.

By the end of the Depression, there were five more mouths to feed, and my father and mother worked extremely hard in order to feed and educate their children. They brought to the family, however, caring, love, fear of God, love of country and dedication to hard work.

The work ethic is something I think we could all learn in this country. There are many of us who have forgotten the work ethic.

My father retired at age 70, in 1966, and it is a year in which he made the highest income of his working career. He made \$5,800. With that income he not only educated five children; he

prepared for his retirement so that he was not a charge on the public purse. Every one of the five children, Mr. Acting Speaker, are university trained.

We all worked. Since age 13, I have worked every Saturday; I have worked every holiday, as have my brothers and sisters. I am not in any way looking for sympathy. I am not asking for any sympathy. I am simply saying that if you want to get ahead in a free enterprise, capitalistic system, you work. There is no substitute for work, and there is no other way in which you are going to progress.

The NDP undoubtedly know that, indeed. They work to get elected so they can improve their lifestyle. How many times have I seen, when the NDP were in power, the NDP ministers flying first class? Mr. Acting Speaker, I paid my own way to fly first class. They did not. I paid theirs as well, so let them not come to this Chamber and claim to be the defenders of the downtrodden and the defenders of the poor.

Mr. Acting Speaker, much has been said about bias and the racist remarks that I have made in the past. Let me give those who have criticized me some advice. When I finished school and wanted to take up chartered accountancy, I went around—in those days we had to find a job, first of all, with a firm of chartered accountants, and then go to night school for five years. Well, to get a job with a firm of chartered accountants, I found out it was difficult if you were not of Anglo-Saxon extraction.

How many firms did I see—many of them are still around today—that when they found out I was German, they immediately said, you can leave your name at the front desk and we will call you if we need you. They never called. At one firm, Mr. Acting Speaker, the person who interviewed me was an army major just returned from the army. He told me that I was only the second man he was going to hire who had not been Anglo-Saxon, and when he hired the first one he got taken to task by his fellow partners.

Then he came around the table, the end of the desk, and he said, Harold, you will have to work harder than anybody else and good luck. That is the advice I give to those who believe that at every turn they are being discriminated against—work harder and good luck.

Mr. Acting Speaker, I do not get my pulse of the views of the people from polls. I go to the Salisbury House on Henderson Highway in East Kildonan. I

have been going there for some 15 years and every morning a bunch of workers meet there. There are construction workers, there are autobody men, there are agents, there are real estate salesmen, there are teachers—from every walk of life. We have sat there for years to solve the problems of the world, and we were not always too kind on politics and politicians.

When I decided to run I thought that I might be spared some of the jibes, and I have not been. I have not been spared. They have been as critical of me, in good fun of course.

An Honourable Member: Not seriously.

Mr. Neufeld: Not seriously of course, but they have been as critical of me as they have of other politicians.

I have brought to my cabinet colleagues from time to time the advice given to me at the Salisbury House. Now, yesterday the Finance minister asked me: Have you got the pulse of the people from the Salisbury House? I had to admit that I did not have time to go there yesterday morning, but I did go this morning. There were some half a dozen to 10 people sitting around.

An Honourable Member: What did they say to you?

Mr. Neufeld: They said, you did not go far enough. Without exception they said, you did not go far enough. Even the ones who said—we will get Doer to come here as well. I told them that I had spoken to the member for Concordia (Mr. Doer) yesterday, and he had told me that he agrees with me, but he cannot say that publicly.

An Honourable Member: Who said that?

Mr. Neufeld: The member for Concordia.

An Honourable Member: The Leader of the Opposition?

Mr. Neufeld: Yes.

An Honourable Member: No.

An Honourable Member: What did he say?

Mr. Neufeld: I said, that is what I told him.

Mr. Acting Speaker, when we worked in Treasury Board on the budget for this year, I had in mind that I would have a great deal of difficulty supporting a budget that came to a deficit of over \$400 million. Not taking into account the transfer from the Fiscal

Stabilization Fund and the transfer from Lotteries, the budget is some \$468 million.

Let us put that into perspective, Mr. Acting Speaker. If we are to have average annual growth in revenues of 2.5 percent, and I question whether we can have annual average growth of 2.5 percent, and if we restrict our annual increase in expenditures to 1 percent, it will take us 14 years to make up the deficit we incurred this year—14 years. It will take us seven years before we get back to where we are; by getting back to where we are, getting back to a budget that is approximately the same as it was last year.

Mr. Leonard Evans: How can you support this budget, Harold?

Mr. Neufeld: The member for Brandon East (Mr. Leonard Evans) asked how I can support the budget. I have said that there are things I do not agree with. I have said that I am a team player. I have said that I will vote for it. I have also said that I retain the right to be critical in areas where I think we could have done better. I have also said, Mr. Acting Speaker, that in terms of bringing down the budget, it is the best budget we could have brought down at this time.

If we take 14 years—take that into perspective. That is three elections. Are we going to be able to restrict our expenditures to an increase of 1 percent over those 14 years? Fourteen years is at least one or possibly two more cycles of recession. Are we going to be able to restrict our deficit or our expenditure increases to 1 percent? I question that we will. I have said before, and I have to say again, Mr. Acting Speaker, in good times we must put aside for the years in which our revenues are not going to be as high in order to either kick-start the economy as they have indicated or else to cover the shortfall in revenues that occur. We squandered the good times.

The former government, in six years in office when times were exceptional, ran the highest deficits this province has seen in its history. Indeed, in those six years I am told by my colleague, the member for Lakeside (Mr. Enns), that our deficits were as high in those six years of NDP administration as the previous 112 years of former Premiers—a sad indictment indeed, Mr. Acting Speaker.

What can we do and what do we have to do? I think we have to work together in order to get a hold

and get control over our expenditures. Not only the people in this Chamber, all the people in Manitoba have to work together. We cannot place upon government demands that we know are going to create additional deficits. We cannot place upon government demands that are going to run us deeper into debt.

* (1610)

Incidentally, the 14 years that it will take to realize enough of a surplus to cover this year's deficit will also be the time it takes for us to bring our annual interest cost down to a level that I believe is all we can afford, and that is 8 percent of our revenues. I would like to, Mr. Acting Speaker, read right into legislation that this Chamber cannot pass a budget that is going to incur interest costs in excess of 8 percent of our annual revenues.

What can we do? Once a program, Mr. Acting Speaker, is brought into legislation, there seems to be no way that we can delete it. We have to carry on. We have 22 housing programs. Now, I cannot for the life of me understand why we require that many housing programs. I am all for helping those who need help, but for that I suggest to you we need one program. If somebody needs help, they come and we can deal with it; but we do not need that many programs, that many bureaucracies and that many dollars to be spent. -(interjection)-

Here comes the member for Concordia (Mr. Doer), my little old buddy, who comes into the Salisbury House only on occasions. I have told the gentleman at the Salisbury House that I will be bringing the member for Concordia (Mr. Doer) back at his earliest convenience.

I think we have to retrench and start over. We have to determine what programs and what expenditures we can afford. We start over. In the old days they used to call it zero budget, and we have to go back to that theory. It is not increase your budget by a percentage of what we spent this year; that is no longer possible. I have indicated to you, Mr. Acting Speaker, that it will take 14 years to get back to where we were, today, and there is no way that we can keep our expenditures at an increase of 1 percent.

Let us talk about education then. I think that we educated an awful lot of people with far less money, and we probably gave them a better education 40 years ago than we do today. Not technically. In technical terms they are getting a better education

than we did in our time, but in real terms, in human terms they are not getting as good a grounding in school as they were 40 years ago.

I suggest to you that we have to have discipline back in our schools. When I went to school, under today's terms I was probably abused because I got the strap many times, but we had a rule at home. My father said, you get the strap at school, you get another one at home, after which we will discuss the reason for your strap at school and you may get a second one.

Now that would probably be child abuse in today's terms. I think we should bring the strap back, yes. The teachers today have a fear of the students. The students demonstrate, they jump on cars. When we were in school we had to work, we did not have time to demonstrate. So I suggest to you, Mr. Acting Speaker, that if we had more discipline we would not have the demonstrations. For what are they demonstrating? Because the fees are going up. Why are the fees going up? Because their demands are greater. The government cannot supply the funds for every single need that is perceived or real. If there is a school abuser, they shall be dealt with. In today's society, a teacher is afraid of the students, and the teacher cannot discipline the student because the parent and society does not support the teacher.

At one time teaching was a profession that was revered. Teaching was a profession that was looked up to. Is it today, I ask you? I think not. It is not getting the respect that it deserves, and I come from a family which has many teachers. My sister was a teacher, so I know of which I speak. Teachers today do not get the respect that they deserve, and I think one of the reasons for that is that we took away their ability to discipline the children and that made the children not respect their teacher and caused a lot of the problems we have today.

The opposition talks a great deal about funding to private schools. Now they never tell you that if we cut out all private schools the cost of education will go up because there is a cost involved to sending your child to a private school. The Department of Education does not pay the entire cost of sending your child to public school; the parent pays a fair amount of that as well. So he is paying twice, and if we closed up all private schools, as they would suggest, it is going to cost each and every one of us

additional tax dollars. Furthermore, I do think they get a better education in a private school, because I went to both, my children went to both and I am all for the private school system, and we went at a time when there was no government help.

Mr. Acting Speaker, we have to get control of our welfare system. We have second and third generations on welfare and their children will be on welfare. That is the way it works.

We cannot any longer afford it. How long do we want to keep it up? How long can we afford to? If we keep up our increase in expenditures in Family Services, if you look at your budget, in seven years it will double and I have just indicated a little while ago that if we keep it to 1 percent -(interjection)-

The member for Brandon East (Mr. Leonard Evans) suggests that by laying off civil servants, we put them on welfare. Well, let us put the cost where it is. If they are working in the Civil Service and they are not needed, what should we do? Pay them because you do not want to put them on welfare? What idiotic statements. The Civil Service is probably the heaviest over-staffed agency of any in Manitoba. Anybody who wants to compare it to others simply is not doing their job.

What you have to do is look at your own backyard and bring the best possible efficiencies to bear so that you can have the least possible cost, or else our costs are going out of sight, as they are, and the opposition sits there, Mr. Acting Speaker, and wants us to spend more. We spend more and more and more.

How much can we afford? Let us deal with -(interjection)- The member for Crescentwood (Mr. Carr) says what am I going to learn? Let us deal with how much we can afford. How much can we afford? I am suggesting to you that being one of the highest taxed provinces, we cannot afford any more. We have got to say no, and we have got to say no now.

* (1620)

We must live within our means. We can no longer afford to borrow. If you look at the borrowings that are going to go on in this year alone, the investment community has indicated that the borrowings from provinces alone this year and their Crowns are going to be in the area of \$20 billion. The borrowings for the federal government are going to be in the area of \$30 billion. The borrowing for the

U.S. government is going to be—we do not know—somewhere between \$200 and \$300 billion. Germany is running a deficit this year, which they will have to borrow for, of \$80 billion. The eastern countries have to be rebuilt. They are going to need money. Where is all this money going to come from? When we go to borrow more, if there is no money available, what do we do?

An Honourable Member: Tax the rich.

Mr. Neufeld: Tax the rich. Yes, tax the rich so you can—Mr. Acting Speaker, you can tax the rich 100 percent and you will not get very much more money because they are already taxed in excess of 50 percent, so there will not be that much more. There are not that many rich around.

I think we have to make the people understand that they should attempt to help us help themselves. We want to help them help themselves. We will help. I think they should be given a top up to welfare if they go out and work. There is work available. I can recall a few years ago, when our daughter was at university, everybody was complaining, the students were complaining, there are no jobs available. Our daughter had two. All summer, she had two jobs. Why? She wanted to work. There is work available for those who wish to work.

(Mr. Speaker in the Chair)

A young woman walked on Broadway; she had over a hundred phone calls for jobs. It is much easier to go to the welfare office and ask for pogeys. Why?

An Honourable Member: Work incentive—

Mr. Neufeld: Why? Why should you need incentive to work?

An Honourable Member: You just said, top up their—

Mr. Neufeld: I am prepared to do that. Yes, I would be prepared to do that, and we should do that. We should help them help themselves. When you have children, you do not give them everything they want. You give them what they need, and then you help them help themselves. If you give them everything they want, they will never get to where you want them to get. You have to help them help themselves. You do not give, give, give as a parent, so why should you give, give, give as a government, unless, of course, you are looking for somebody else to pay it. Then it is easy to say give, give, give, but it is not that easy when you have to do the

paying. Who are you going to ask for the money? Talk to your constituents who are paying more taxes than they should.

An Honourable Member: There are 54,000 people unemployed, and they should all go out and find a job tomorrow.

Mr. Neufeld: Well, let us put those people who are chronically unemployed and chronically on welfare--let us get them to sweep the streets and shovel snow. We do not do that, because we think that is beneath their dignity. Let them go and try. I am all for helping those who try, but do not tell me that they do not have to try and we are supposed to give them money. No, that is not what we are here for. We are here to -(interjection)- how many must be out of work? How many want to work? I am all for helping, as I said earlier. I am all for helping those who wish to help themselves, but those who do not want to help themselves, no, I am not for helping them. -(interjection)-

Well, figures do not lie, but liars figure. There were no jobs for that young lady who walked Broadway, but she had a hundred phone calls, but there is no work. You would have said, go get pokey.

I am glad the member for Point Douglas (Mr. Hickes) is in. We have a problem with northern and Native affairs. We have, over the years, totally bungled, and this is government as a whole. All governments have totally bungled the northern and Native affairs issues, but I think we have to work together to solve them. If they want self-government, I think they have to tell us what that includes. If they want self-government, they have to tell us what it is going to cost us, because we, again, can no longer pay without knowing what the cost is. You have to get a hold of your costs if you are ever going to get ahead. That is the same in business; it is the same in government; and it is the same in your home life.

I encourage the Native leaders to come forward and put their demands on the table, put their requests on the table. We can solve it, but we have to work together to solve it. It is not a never-ending matter of funding for whatever reason; it is a matter of getting together and coming up with a solution—a solution, I am sure, we can come to in a very short time.

Again, costs in that department will double in between five and seven years unless they are

checked. Costs in Education, unless they are checked, will double in about seven to eight years. Costs in Family Services will double in seven years if they are not checked. Costs in Native and Northern Affairs, if you consider all of the costs, are going to double in five to seven years.

We want to restrict our expenditures to 1 percent, and I will not even talk about Health, because Health is going to double much quicker unless we check the costs.

The NDP solution is jobs. How are you going to get jobs? I heard the member for Concordia (Mr. Doer) say yesterday, growth. Hey, it is a buzzword, growth. Buzzwords and cliches are not the answer. Why do we have a recession? What is a recession? No economist has ever explained or told us what a recession really is.

In layman's terms, I think a recession is where there has been an oversupply of goods and now people stop buying. Inventories and warehouses are full, retail store outlets are full, credit cards are full, so we have to retrench. Recessions are nothing more or less than retrenching, awaiting for the supplies to run out so we can start manufacturing again.

What is inflation? Inflation is where your wage costs go up more than your productivity. That is inflation, and everything is driven by wages. There is nothing else that comes into play. -(interjection)-

That is the worst kind.

Inflation is nothing more or less than wage costs that do not meet the productivity entries. If you have increased wages, you have to have productivity increase or else you are going to have inflation. I think that is simple. Even I understand that.

What has happened to us here in Canada? In Canada, the productivity in the last five years has risen 52 percent of what the Americans' has risen. Is there any wonder we have difficulty in competing? Is there any wonder that our unions are against free trade? Is that the same reason that the same people who cried for abolition of free trade built a fence around Manitoba, gone across the border to buy things cheaper? Is it any wonder?

The recession, Mr. Speaker, is North America; it is not Manitoba. There are 260 million people in United States, they have a recession. There are 26 million people of which we are approximately 1 million people in Manitoba, there is a recession.

How is Manitoba going to spend its way out of a recession that includes approximately 290 million people? How do you do that? How do you do that when you have a debt the size of ours? How do you do that when you have to pay interest of \$550 million a year going up, incidentally, going up? How do you do that?

The previous government thought that creating jobs would do it, create jobs. Now, government does not create jobs. If you pay somebody to create a job, that is all you are doing, you are paying them to create a job which will last as long as that money lasts. They borrow \$250 million to do this. It is not even included in their Estimates. It is going to be funded over the next how many years? Fifty years or whatever it is, 1.5 percent a year, I think, so that is their answer.

Their answer is borrow and pay somebody to hire someone, and what do we build? I ask you, the Minister of Natural Resources (Mr. Enns), how often were those payments made to somebody who was a member of the organization that got the money, and there was really no outside labour brought in. It was simply a way to get extra money out of government, and everybody participated in this. I do not agree with that. I did not then, and I will not now.

If we are going to spend money, it should be spent on capital projects where there is a lasting benefit. Of the \$250 million that was spent on job funds, not one capital project, show me one, not one, where the government had a lasting benefit. It was strictly for propaganda where they could say, we employed so many people, be it—

* (1630)

An Honourable Member: The average job is worked 12 or 13 weeks. That is it.

Mr. Neufeld: Well, just enough time for that person to get unemployment insurance again—just enough time.

Now, I do not think the private sector, Mr. Speaker, has done its job either. I think the private sector owes the people of Manitoba enough to make them create some jobs. I understand the difficulty they are going to have in times of a recession, but they have to help, and they should not come to government at every job creation and say, give us money.

No private industrialist or corporation has ever expanded because they got their grant. They expanded because there was a market need for their expansion. Once that need was established, their accountants and consultants meet to decide how much money they can get out of government. I do not believe that job creation by the private sector should be paid for by the public sector.

An Honourable Member: How much did Reagan give Chrysler?

Mr. Neufeld: I do not care. Reagan was in the United States, and where is Chrysler now? -(interjection)- There is no rule ever made that should not have exceptions and do not have exceptions. There are exceptions to rules. If we want to help somebody bridge these tough periods, that is one thing, but to pay them to expand is quite another. In most instances, the corporation that decides to expand does not need government help—in most instances. I think it is just as important for them to be good corporate citizens as it is for you and me to be a good citizen and try to make ends meet in other areas.

Over the years, what have we done? What the NDP have done, they have taken away volunteerism. We used to have service clubs who volunteered, who brought volunteers to benefit seniors, who brought volunteers to benefit young children. It was all taken away because the NDP decided to fund those agencies. To fund them, why? Why do they fund them? For votes, just for votes. I am not going to enter into the area of grants today. I have gone that route once, and I will not do it again.

An Honourable Member: Let us hear about grants.

Mr. Neufeld: No, we will talk about the welfare agencies, if you like. I think that they have a responsibility to balance budgets. When the member for Osborne (Mr. Alcock) says, they have balanced their budgets, so give them more, fund their deficit. They have not brought along a program of how they are going to balance budgets. Anybody can bring in a balanced budget when you fudge the figures. That is easily said and done, but every year after year their deficits run higher. Year after year the deficits run higher, and I think there has to be a responsibility to those who run those agencies. They have to -(interjection)- then do not take on the responsibility if you cannot meet that responsibility.

The deficits are higher because there are no controls.

In any event, I do believe that the profit motive is the only thing that drives people to become more efficient. I would recommend that to the members of the New Democratic Party.

I thank you, Mr. Speaker.

Introduction of Guests

Mr. Speaker: Order, please. Prior to recognizing the honourable member for Broadway (Mr. Santos), I would like to draw the attention of all members to the loge to my left where we have with us this afternoon Mr. David Orlikow, who is a former M.P. for Winnipeg North, and also a former MLA of this House representing St. Johns.

On behalf of all honourable members, I welcome you here this afternoon, sir.

* * *

Mr. Conrad Santos (Broadway): I am privileged to participate in this Budget Debate.

The honourable Minister of Energy and Mines (Mr. Neufeld) is correct in asserting that if you want to get ahead in this material world, there is no substitute for work. If any individual is to have a guiding light in life, if anybody has to have a philosophy, I think it should consist of three words: work, work, work. That is the only way in which he can improve his material condition of life.

Mr. Speaker, the late president of the Canadian Association of University Teachers, named Sarah Shorten, compiled a classification of creatures in the academic world who behave and think like a class of extinct creatures, which, by analogy, we can apply to political actors of today whom we can call *Dinosaurus politicus*. *Dinosaurus politicus* can probably be the proper label as a collective name to a group of species who are distinguished by characteristics reminiscent of their historical forbears.

One creature that has become extinct is called *Palinocopodon politicus*. This is a creature who is so retrospective in outlook that he is equipped with a rearview mirror in order to enable a complete avoidance of any forward looking perspective. Any kind of change will irritate them. They are in conflict with their view of the world that is not the thing how it was usually done.

I am reminded of this because when I heard the honourable Minister of Finance (Mr. Manness) asserted how much government can Manitoba afford should be the starting point in any kind of budgetary process, I think there is a hidden assumption behind that statement. It is based on the classic Adam Smith kind of philosophy that the government is best which governs least.

There are so many politicians and statesmen who still believe the same thing today, when things have already changed in the 20th Century. That was a philosophy when laissez-faire, so-called free market, was in existence. That is no longer true today.

* (1640)

The only thing that you can say about free, unhampered, laissez-faire type of market is that is only true in pure economic theory. The condition of pure competition is a mere theoretical concept that does not exist in the real world.

If we analyze our economy today, it is not really a pure-market economy, as the assumption has been with respect to the majority government. The market that we have consists of two segments, because it is a mixed economy of both the public and the private sector.

If the private sector is not working, the responsibility resides in the public sector to stimulate economic activity to make the economy work. The old laissez-faire theory of government that upholds the autonomous character of the economic system as independent of government is simply not true to reality today.

What we have in our current society is a mixed economy in which the private sector is in symbiotic relationship with the public sector such that the entire economic order will not function at all and will collapse unless they mutually support one another.

The Leader of the official Opposition had already alluded to this by comparing the economy with a two-engine kind of a plane. If one engine fails and you do nothing about the other engine if it is working, then the whole plane will collapse. What we have in our society today is a mixed type of economy. They mutually support one another. It is a symbiotic kind of relationship.

That is why it is essential that in difficult times like recessionary times when there is a dump in demand in the private market, it is essential that the public

sector be stimulated in order to keep the economy going and working in the production of goods and services in order to maintain our economic system. Otherwise, it is doomed to collapse.

It is true that we live now in a very difficult time, but it would be wrong for the government, in order to save resources or money, it will not be correct for the government to behave like Jason, you know, Jason in Friday the 13th. This is the guy who carried an axe. -(interjection)- Yes. His function is to axe anybody within sight. He wields an axe, he starts cutting left and right, hitting people of all ages, even the babies, the adults or the elderly. Is there any proof that this is exactly what this government is doing?

Let us start with the young people, those children in school. There is a program where they are eligible to some free dental services in rural Manitoba, ages six to 14 as it presently exists. This is a public program that enures to the benefit and welfare of society, because these young kids, if they are well taken care of in their dental needs, there will be fewer problems later on in society.

What do they do, this government? They changed the range of ages for eligibility. They change it from six to 12-years-old cutting off those 13 and 14-years-old from taking advantage of that public service which is a form of health care. So we can say this government is insensitive to the needs of children. But that is not all. Jason will start axing other people of the other ages, too, the youth.

What did they do? They eliminated the \$1.7 million high school bursary program. That is acting to the prejudice of the educational opportunities of children. This government is insensitive to the needs of the youth, particularly the students.

What else did they do, the majority government? They tried to cut the intake in the CareerStart program by reducing subsidy to one-half of the minimum wage level to all the employing sectors who can hire people in the CareerStart program. That is also going against the interests of the small business because the small business needs some assistance from the public sector. Yet they cannot progress in their small enterprise, because they can no longer hire the employees that they need to train under the CareerStart program.

This government is also insensitive to the needs of social and scientific research. They have eliminated 20 jobs in the Manitoba Research

Council. Research is the basis of development in industry in our society, that we can avail of the improvement in technology in order that we can compete with other countries in the production of goods and services. Without essential research, we will not know the advances that are being achieved in all the various areas of science and technology, and we will not be able to compete successfully with those who are spending their money in essential research.

This government did not stop there. Like Jason, the axeman, they start axing even the elderly. They have reduced by 11.9 percent the 55-Plus program, by deindexing it. They have acted and proceeded against the CRISP program, reducing it by 7.2 percent. They have also eliminated the Seniors RentalStart program, down \$517,000.

These are all essential services needed, particularly our senior citizens who have no pensions, especially widowed elderly who did not work in their lifetime. I say this government is so ruthless in their method that they did not even consider the victims of their cut, cut, cut type of program. That is why I will call this government also as fitting into this other model of this Dinosaurus politicus.

There is another type of creature that has become extinct. It is called a Stegosaurus timocrates. This is the kind of creature that was still armed with large, standing dorsal plates and tail hooks. It has now become obsolete, reminding us of the more violent age. This creature earns its second name from its motto: "Let those worthy of honour prevail." They are very reluctant to recognize any form of excellence other than the possession of dorsal plates and tail hooks. I said, being ruthless, being violent, does not mean that you have to be physically so. By proceeding against the children, by proceeding against the students, by proceeding against the seniors and the elderly, this is behaving like this violent creature that has now become extinct.

* (1650)

What the Tories cannot do directly, because they have made promises, they try to do indirectly. They promise not to increase any kind of tax and yet they have imposed the user's fee in the North even for patients who need very badly to go to a hospital or a health care facility. They are insensitive to the needs of the most unfortunate people who find

themselves in the most unfortunate of circumstances, needing emergency services. For northern patients to pay a fee of \$50 in order to go to hospital, it is shameful. This is a form of user fee which they cannot introduce directly and therefore they do it indirectly.

They say the federal government is offloading all its responsibility to the provincial level of government and they objected to it, and yet the federal government apparently had given them some kind of reasonable increase this year. So they have been objecting to the federal offloading, and yet what does this provincial government do itself in relation to the lower level of government? It is offloading its own responsibility to the municipalities, to the city level of government. So what do we have here? It is the pot saying to another pot, why are you so black without looking at itself, that it is also doing exactly what it is condemning.

The honourable Minister of Energy and Mines (Mr. Neufeld) stated that if you want to progress in this competitive world, you have to work hard—work, work, work. I agree. If that is the case, why are they throwing people out of work? Why are they cutting jobs and leaving people unemployed? People are more important than a little debt, or although it sounds like it is heavy when you look at it and you publicize it as such, compared to other jurisdictions that is still bearable and can still be sustained by the economy. We should remember that people are more important than money. In our scale of values, people rank so high in our priorities. People should be more important than public debts. Indeed, people are so important to my way of thinking than anything material in this material world. It is the government, the public sector, that should help create job opportunities for its own citizens when the private sector fails to do.

As I have stated before, the economy consists of two segments, the private sector and the public sector, and they must learn how to co-operate in order to sustain the whole economy going. This budget should create job opportunities. This budget should create work for the unemployed, for people who cannot find work, for people who are out of work.

This government has the responsibility to help them find work, because work is not simply a means of preserving or of earning one's own means of

livelihood. Work is more than that. It is a way of preserving our own sense of self-respect and dignity. A person who is deprived of the work that he had been doing, let us say, for the last 20, 30 or 40 years, so suddenly, even without notice, is suddenly deprived of his sense of self-respect.

It is work that gives meaning to our existence in this society of ours, but it must be the kind of work that we enjoy doing. Those people who are doomed to a type of job that they do not like are finding it psychologically difficult to stay on doing the same kind of work. They are subject to what we call boredom. Work is a basic need of every human being in order that he can find his life worth living, in order that he may gain self-esteem through his achievements and accomplishments, in order that he may find true contentment. If you deprive an individual of a job that he enjoys doing, you deprive him of his dignity and self-worth as well, and he loses all kinds of confidence in his own ability to contribute to the welfare of society.

The honourable Minister of Finance (Mr. Manness) stated that we should have a new process in Estimates; that there should be priority programming only after the tax decisions, the deficit decisions and the debt decisions are made. In other words, we should decide first about our income and then our debt and then decide later on how much we will spend.

It is like an individual—being us. He can only eat and drink what he can pay for, and if he has no money because he has no job he cannot earn, the logic, if extended, says he must not eat.

In the decision of priorities, however, our system of values begins to work when we set the priorities of importance to the various programs. When I think about this and when I analyze the way they set their priorities, can I find any proof that their ideological beliefs are at work here? Yes, I could.

Look at the massive cuts of \$300 million in ethnocultural heritage support grants. If you think about this, you can conclude that they do not like ethnocultural groups. They cut their support grants to these groups in our society.

Look at the \$220.7 million cut in the Manitoba Intercultural Council. What does that tell you? It means they dislike these intercultural groups, cutting their program. They do not like them to exist or to contribute or give advice to the government.

The government will do what it wants to do without the input from these intercultural groups.

They cut \$8 million out of the planned parenthood program. What does that imply? They do not like any kind of family planning, because what we do is dictated by what we believe in.

* (1700)

If we start cutting on those areas that we dislike, it shows our colour. We do not like this citizens group, we do not like this immigrant group, we do not like them; therefore, we cut their program.

This is where the difference is, I think, between the two parties. What did we do about health care when the NDP was in government? We created the child care programs in the community. We were the ones who removed the premium payment for poor people in medicare so that they could have access, so that there can be universal access to health which, I think, is a basic value of all human beings. Health is very important and it is next to life, and poverty should be no hindrance to it. It is the obligation and duty of the government that all its citizens have health care. -(interjection)- That is not true. You talk about it—the reason why they are doing it is because they cannot pay the thing to keep them there, and so they give them nonmonetary rewards. They still have to pay it in the first place.

What about the government's offer to the Manitoba Government Employees' Association

An Honourable Member: What about it?

Mr. Santos: Zero increase.

Hon. Darren Praznik (Minister of Labour): Yes, yes—and?

Mr. Santos: The Minister of Labour (Mr. Praznik) says yes, yes. They say it is a moderation in public sector wage negotiation; moderation—zero.

An Honourable Member: What about the farmers who were here today?

Mr. Santos: The farmers, they just got \$400 million grants announced today from the federal government.

Point of Order

Mr. Enns: Mr. Speaker, I wonder if you would call my exuberant colleague the Minister of Labour (Mr. Praznik) to order. I am trying my very best to listen to the honourable member's comments.

Mr. Speaker: I appreciate the honourable Minister of Natural Resources' remarks.

I would remind all honourable members that even the Chair is having some difficulty in hearing the remarks of the honourable member for Broadway. I am sure we want to give the honourable member for Broadway the courtesy of listening to his remarks.

* * *

Mr. Santos: Okay, the Minister of Finance (Mr. Manness) stated, and I quote: Manitobans can no longer tolerate tough regimes which undermines investment, which undermines job opportunities. I agree, but what is this government doing? It is exactly what he is saying. This government is undermining private investment in this province. If you look at the record, Manitoba is the lowest now in terms of private investment all across the 10 provinces in Canada. You say that you are good economic managers. How good you are.

The other day I overheard businessmen in their conversation, two businessmen, small business people. One of the businessmen said, you know, the business that you sold me six months ago, you sold me a going concern. The other said yes, what about it? I bought it as a going concern, now it is gone.

These are difficult times and we should also be mindful of those small business people. They need some help and assistance from the public sector in order to survive. We should remember that not all of the jobs can be provided by the public sector. The greatest creator of jobs is the small business in our province, and they need help. We have helped them in the past. We have subsidized them when they want to hire employees during the summer, CareerStart program and things like that. Why are you cutting this program now? How can that help private investment? How can small businessmen expand if they do not receive any kind of even small help from the public sector? -(interjection)-

Okay, you said you are cutting taxes. Show me how by cutting employment, by cutting jobs, especially in the Red River College when they are training people in the business world, secretaries and other people useful in the business world—if you start firing those people in Red River Community College, how could that help improve the efficiency of business? -(interjection)- Some of them had worked there for 20 years.

In business, particularly in small business, success means you must have profit; profit is labour plus capital working together. They can only work together by good management. You say you are a good manager. How come you cannot make them work together? You are always confronting labour and capital. So it is only a myth that the Tories are good managers. It is not so. Look at the polls. Only 17 percent of all Canadians believe now that the federal Tories are good managers.

In good economic management, there is no substitute for accurate knowledge. You have to base your decision on accuracy of facts. To have accurate knowledge, you must have accurate facts. You have to study the relationship within these facts, and when combined with your ideas, it can constitute a formula for success in this material world. If you know how to forecast correctly, then you can make the right decision today that will give prosperity tomorrow.

* (1710)

Now, I ask this majority government, do you have any contingency plan if the recession goes on until after the fall of this year? Where is it? By proceeding against education, by proceeding against the students, this government is not doing any service to the society of the future. According to the Greek philosopher, Dionysius, the foundation of every nation is the education of its youthful generation. The Minister of Labour (Mr. Praznik) better listen to this. The foundation of every nation is the education of its youthful generation.

An Honourable Member: That was Rousseau. Right?

Mr. Santos: That is Dionysius, a Greek philosopher.

If you proceed against the students like you did, by cutting the high school bursary program, by cutting the university grants, by cutting the primary schools, how does it create a good nation of the future?

Mr. Speaker, the purpose of education is the development of our potentialities, and the best potentialities to develop are the potentialities of the young people. We, of the old and middle-aged generation, have already contributed. We are in our waning years. We are about to leave this world. Pretty soon this young generation will be taking over, and if we do not educate them properly, if you

do not give facilities to develop their capacities and their abilities, what kind of a society do you think we will have in the future?

Within every individual student, within every little child that we are proceeding against, there is a beautiful block of marble. If you only develop and polish that personality, that will be a good material citizen. It will be a good segment of our society of the future. Within every one of us, there is a better virtuous person, if we can only overcome our foolish ways, our indiscretions and our vices.

What about human dignity? What kind of human dignity do you think these laid-off employees will have? How will they feel about themselves?

An Honourable Member: Conrad, answer: What about the laid-off employee in the private sector because your NDP taxes put the business out of business? What do you think about them? Where is your compassion for them?

Mr. Speaker: Order, please.

Mr. Santos: Those people were working when we were government. Now, they are not working. -(interjection)-

Mr. Speaker: Order, please.

Mr. Santos: Never be insensitive to human need. No matter how much concern we have about deficit and our debts, we should be concerned more about people. These people will lose their old sense of self-confidence and self-esteem, especially if they are already in their middle years.

Every citizen has a certain minimal level of economic and social rights. Everyone has a right to earn a living, to earn one's food, shelter, health care and education. I say let all segments of society co-operate, the public sector and the private sector. Together we can fulfill what Longfellow said: "Let us, then, be up and doing, With a heart for any fate; Still achieving, still pursuing, Learn to labor and to wait." Thank you, Mr. Speaker.

Mr. Jack Penner (Emerson): Mr. Speaker, I rise today with some intrepidation. I suppose one should feel somewhat humiliated being able to rise and speak on a budget that I believe is going to set the stage for economic renewal and recovery in this province. I think it is time that we realize in this province that in order for us to be able to weather the economic times that we are in and come out of a recession that was not directed or connived by, I believe, any government per se, but I believe truly

that the unaffordable spending that has gone on by people like yourself and myself over the past have driven, in a large part, governments to the point where we are now.

We have ultimately come to a point where we have been overtaxed and where we have spent far beyond our means, far beyond where we can afford, and it is time now that governments at all levels must look at bringing their expenditures under control to an affordable level. I believe, Mr. Speaker, that this budget that Mr. Manness, our Finance minister, tabled in this House only a few days ago will in fact lead the road to that economic recovery that we are looking for.

"Ultimately, provinces succeed in stimulating particular industries and creating jobs because their home environment is the most forward-looking, dynamic and challenging."

"Our fiscal plan is the blueprint for establishing a more competitive economic climate that will encourage investment and job creation."

I truly believe that by bringing our interest rates under control, by bringing our taxation under control—and the good Lord only knows that the former NDP government spent some 15 years driving expenditures through the roof, causing taxes to inflate way beyond our general public's means to support, driving us to one of the highest taxed countries and provinces in this country, to a point where we now owe a substantial amount of money, some \$5.3 billion, \$5.6 billion which we have to pay interest on, which every man, woman and child now will have to pay up to some \$600 million a year.

(Mrs. Louise Dacquay, Deputy Speaker, in the Chair)

Look at what we could do if we had those amounts of dollars in this province in our budget that we did not have to tax for. Look at the hospital care that we could provide to those that now need it. Look at the jobs that we could create by providing incentives to industries, yes, and individuals to start new industries and businesses. It is only those small people who do start those industries and businesses that really create the wealth and the jobs in our nation. We as a province, we as the province of Manitoba can and, I believe, will be leaders if we keep on the economic path that we are on today.

* (1720)

The former NDP administration in 1987, I believe, went out to the world market and borrowed—what was it?—some \$970 million worth of Japanese yen. What in the final analysis did it cost this province to get ourselves out of that debt? Our Minister of Finance (Mr. Manness) refinanced those borrowings that we made in Japanese yen and brought them into a real interest rate level, which saved this province millions and millions of dollars. Had the former NDP administration had the foresight and had the will and the knowledge to be able to go out and intelligently borrow money when they needed it, had they first of all curtailed spending that we would not have had to borrow, all Manitobans today would be better off. I believe we would not be into the inflationary cycle that we are in today.

Spending increases have caused us, without reservation—and you can go back to some of the programs that the NDP had, some of the grants that they made to organizations that were, at best, questionable. The intent of some of these organizations was questionable, and the huge numbers of dollars were given out in grants. You can go to any community in this province, whether it is urban or rural, and ask people what should be done with grants. Most people will tell you that government should cut grants, do away with all grants, and allow these organizations and/or individuals to finance their own operation, because very often these are the same organizations that will be out front in criticizing government for what they do, whether they be an NDP administration, Liberal administration or Conservative administration. These are the organizations that most likely will criticize.

Why should the taxpayers put large amounts of monies in the form of grants into organizations such as these? I believe we would do far better, had we during the past encouraged those organizations to look within to be able to generate funds to lobby on their behalf.

I believe a prime example is the agricultural organizations, the Keystone organization and others, who are entirely self-funded. When they embark upon a project, they have to dip into their own pockets. When they want to make a case in this House or in offices of this building to either ministers or government as a whole, they pay the bill. That is I believe as it should be.

I believe that the priorities that we must set as a government for our people—because we that sit here and make decisions, whether we are cabinet ministers and/or others that make the decisions and discuss issues in this House, have a responsibility to ensure that the dollars we tax our people, that we gather from our people, are spent wisely. Our priorities as a government have been clearly identified. Health, family services and education are going to remain our priorities in this government.

This budget clearly indicates that we are going to spend an additional \$90 million on health to ensure the services that families need to ensure their health will in fact be maintained, that families that need services, need medical care, whether they be in northern Manitoba or whether they be in southern Manitoba or anywhere else, that they will in fact have the kind of services.

I am somewhat amazed that the member for Flin Flon (Mr. Storie) was so disturbed by the fact that there should be a slight charge on air services to some of the people—or transportation—

Point of Order

Mr. Storie: Madam Deputy Speaker, the member for Emerson suggests that somehow a \$50 charge, which is in some cases more than half of the charge of a patient's existing benefit under the Northern Patient Transportation Program, is a small charge. He also forgets that—

Madam Deputy Speaker: Order, please. The honourable member for Flin Flon does not have a point of order. It is a dispute over facts.

* * *

Mr. Penner: Madam Deputy Speaker, I think the feeling that the member for Flin Flon displays is an indication of the inaction that they, as a party, have taken previously in dealing with matters such as these.

I should, by the way, before the member for Flin Flon leaves the Chamber—it appears at least that he is going to—say that we as a party were able to put together a package with the federal government to construct an airport in the town of Snow Lake, something that he, even as a minister was never able to accomplish in his own riding, nor do I believe he had the will to want to build an airport. He talked and talked, but in actual fact some members of his community have told me they told them that while

he was the minister to keep quiet about an airport because they could not afford to build it.

Here he stands and lays all sorts of rhetoric before us about the inability of people to be able to access our medical system. -(interjection)- Similar, the member for Flin Flon (Mr. Storie), and the member for Thompson (Mr. Ashton) constantly rise in this House condemning this government for not looking after Northerners.

Well, the Minister of Health (Mr. Orchard) just informs me that in 1979, it was the Conservative administration that built a hospital in Snow Lake, and now we are going to build an airport in Snow Lake jointly with the federal government. What did the previous administration do in northern Manitoba?

We are also going to put in place a program that will enhance mineral exploration in northern Manitoba. We sincerely believe that the economy of northern Manitoba can grow and expand and provide jobs and employment opportunity for Northerners. We are strongly in favour and support of that and our budget clearly indicates that. We believe in the mining industry's ability to grow, to expand. We believe in the fisheries industry to be able to grow and expand, and many other communities in northern Manitoba and issues.

I want to -(interjection)- I think the honourable Leader of the Opposition should put another candy in his mouth and, Madam Deputy Speaker, sweeten the rhetoric that is coming out of his mouth.

I want to spend a few minutes talking about an industry that I think has contributed to a very great degree to the economy of our province, and that is our agricultural community. When I look at what is happening in the agricultural community, not because of farmers in Manitoba, not because of farmers in western Canada or any part of Canada, but because of actions that the government of Europe and the government of United States are into, and the economic chaos that is creating, I must, I suppose, wonder how long our farm community will in fact be able to grow and provide the food that not only our people in our country need and require, but the people of the world.

* (1730)

We, as Canadians, especially western Canadians, have long been known in the world for being the providers of food and sustenance for

many people in the nations of the world. We are now relegated to the point where we must take part in programs and initiatives, or I should call them insurance schemes, that will allow our farmers to buy programs that will keep them on the land and keep them producing food.

I remember quite well that in 1986, Madam Deputy Speaker, when the price of domestic wheat—and we at that time still had a domestic wheat price policy—went from \$7 to \$7.50. The price of a loaf of bread at that time rose 10 cents a loaf, and there was some discussion about the inordinate increase of a loaf of bread at that time because of a 50-cent rise in wheat.

It is my information that bakers today and the milling industry today can buy that same No. 1, first-class wheat in this country for around \$3 a bushel, less than half the price that they could buy it for in 1986 and '87, and I ask any one of you in this House: Has the price of bread dropped by 50 percent, has it dropped by half?

We have seen the total cash receipts decreased by 3.5 percent this year to \$2 billion, and we have seen our total net income of our farms decline in spite of the many programs, such as Western Grain, that governments have contributed to. Western Grain, I believe, this year has paid out some \$31 million, \$89 million through crop insurance. Special grains programs, of course, are no longer in existence but last year contributed substantially to the economy of western Canadian agriculture.

The increase in operating expenditures—in a large part the increase in operating expenditures are due to the rising costs of products that farmers must buy, such as fuel, fertilizer, chemicals and the many other ingredients that must be put into the ground to raise a crop.

The livestock industry has seen a flattening out. Some of the cattle prices have gone up; hog prices have gone down. The egg and dairy producers have seen their incomes drop this year, and the forecast for next year, without government intervention, is that the farm community would have a net income of \$57 million, the lowest since the 1930s.

Here we are as a government—and I should quote Mr. Santos of the NDP. Here we are sitting in this Legislature listening to a member of the New Democratic Party saying that already farmers are getting way too much.

Why, when farm prices are at all-time lows, is our social party in this province saying that farmers are getting too much? Well, my question, Madam Deputy Speaker, is how low should they go in order to satisfy the New Democratic Party? How low must food prices go, comparatively? We spend today, as consumers, collectively, less than 14 percent of our incomes on food. How much do the opposition parties want to contribute to food production?

Today, when the farm community sat in the benches looking down on us debating and questioning whether we should or should not give them more support, the NDP, of course, said yes, give them more, give them more, give them more, but as soon as they are gone, they say farmers are getting too much already.

That, of course, Madam Deputy Speaker, is the reason why I stand in these Chambers today. Many, many times I sat across the table from those very NDP members and asked them, as a farm leader, to support agriculture, to lower taxes, to get spending under control. What did they say? What they said today: you are getting too much. We know now what it means -(interjection)- to have a government that wants to spend and spend and charge taxes to pay interest of some \$600 million a year. I say to you, Madam Deputy Speaker, if we had those \$600 million as a government today, we would in fact be able to support agriculture—

Madam Deputy Speaker: Order, please. I am experiencing great difficulty in hearing the honourable member for Emerson (Mr. Penner).

Mr. Penner: Madam Deputy Speaker, I find it interesting that the Leader of the official Opposition (Mr. Doer) is sitting there talking a blue streak while the agricultural community grieves because they are not able to support their families. -(interjection)- Now he is talking about the farmers not getting enough from the federal government.

Well, let me say this to you. Should the New Democratic Party be the party of government in the federal government, then we would rue the day in western Canada, and I would suggest that farmers might in fact have to leave this country if they took office.

This government, although we are in economic difficulty, although we are indicating that we will spend an increased \$90 million in Health services, we will increase spending in Education by some \$23 million, we will increase Family Services spending

by some \$37 million. We will also ensure, through a \$43 million program to Agriculture, that farmers can in fact buy an insurance policy to keep themselves in business.

Some Honourable Members: Oh, oh.

Madam Deputy Speaker: Order, please.

Mr. Penner: Madam Deputy Speaker, I listened with interest to the debate that goes on between the Leader of the official Opposition and some members of our side of the House. If you want me to, I will sit down and listen to that debate as well, if it is in fact of interest.

I believe that the program that the Minister of Agriculture (Mr. Findlay) has in fact negotiated and announced for GRIP—and I understand today the federal government has announced that they will, at least in the first year, support totally the NISA program. I believe the NISA program, in the long term, will be a program that farmers can in fact use to level out and average their incomes over the years, and I believe that program should remain a federal program in conjunction with the farm community. The farm community then could, in fact, use that program to average out, although their incomes are depressed, their depressed incomes.

* (1740)

Hopefully, markets will turn around. Once the Americans and the Europeans, through their discussions that are ongoing, will come to terms, maybe the marketplace can again dictate what prices really should be, and the farm community will be in a better situation as we go along.

Having said that, I truly believe that will in fact happen, and the economy in this province will, in the very near future, turn around, and we need to keep on constructing and repairing our road network. The Ministers of Highways (Mr. Driedger) and Finance (Mr. Manness) have indicated clearly their will to do that by virtually maintaining the budget in Highways as it was last year.

It is still today better than \$100 million, and those of us who have to travel these roads every morning to come to work, some 65 or 70 miles, know the need that is there and know the lack of construction that went on during the NDP administration. Had they paid more attention and given more effort to maintaining or increasing our road network, all of rural Manitoba would be better off and better served.

I believe that the program, the Southern Development Initiative, SDI, the \$4 million that has been designated for this will in fact enhance the ability for cities such as Brandon and Portage, towns such as Steinbach, Altona, Morden, Winkler and Dauphin, to be able to put in place an infrastructure that will enhance the ability for industries to be able to settle and develop and progress in those areas. I truly believe that there is some tremendous potential in rural Manitoba, but we as a government must support and encourage the enhancement and the development of those industries.

It is seldom ever that either governments or organizations can encourage the establishment of outside industry, large outside industries, into a community. It must be through growth from within that these industries are established.

I believe that programs, such as the SDI program, will in fact enhance the opportunities for the establishment of individuals to look at many of our rural centres as centres for opportunity and will allow the expansion in the agricultural area to diversify and to produce secondary products from those very resource-based industries that we depend on in many of our rural towns.

I, for one, believe that this province is still very dependent on agriculture, and the economy of this province is still very dependent on our agriculture, as agriculture goes normally, goes our economy. I believe that the turnaround in agriculture is only a short way down the road and we will see, therefore, also an economic enhancement of our treasuries because of the agriculture community.

When farmers have money, farmers buy. When farmers buy, they buy equipment, such as tractors. I know Versatile is looking forward to that turnaround. Macdon Industries that operate in this city are looking forward to that turnaround, because farmers in many cases now are operating rusty equipment. It is old and they need to spend large amounts of money, and I believe will spend large amounts of money once their industry does turn around. I am looking forward to it as I know the Minister of Finance (Mr. Manness) is looking forward to that turnaround.

I find it interesting when some of the members in this House rise on issues affecting their communities that we seldom ever focus on the real issue. The real issue is to encourage—instead of standing in this House and saying that Manitoba is

a have-not province, as the NDP do almost day in and day out and the Liberals of course say that we are a have-not province—we should in fact encourage the development in this province and encourage strength in our province and believe in our people's ability to grow.

I know the efforts that are put towards this task by organizations, such as the RDCs, the Rural Regional Development Corporations, through such things as the Pembina Valley Water Task Force or the Red River Valley Water Task Force, is an indication as to how willing many of these people in these rural communities are to help their own cause.

The study that was presented to a number of us in Morris not too many weeks ago indicates clearly the need to provide infrastructure to the southern regions, and as it does to many other areas of this province.

There are significant costs involved in providing these kinds of infrastructure, but I believe that many of our industries are in fact dependent on a good supply of water and a good way of disposing of their effluent. Therefore, I am encouraged by studies such as the Red River Task Force, which identified, by the way, the Assiniboine River and the Red River as supply sources for water for south-central Manitoba. I believe, as the honourable member for Portage la Prairie (Mr. Connery) has stated, that it behooves this province to ensure that large enough reservoirs be constructed on the Assiniboine River before water is in fact drawn from the Assiniboine to supply water to southern Manitoba.

I certainly also believe that there are other options that could be explored if in fact the Assiniboine or the Red are not seen as viable options for water supply.

I believe that it is not impossible for the province to build an aqueduct similar to what was built almost a hundred years ago, I suppose, to supply water to the city of Winnipeg. It could even be a larger one which could supply the whole south central part of this province with water, not only for industrial and domestic use, but could in fact also supply water for irrigation purposes. It would be a very reasonable and cheap way to bring water into this area, by building an aqueduct to Lake of the Woods and allowing the natural flow to bring that water into the valley.

Therefore, I believe there are many areas and options that could be in fact used to provide the

needs to ensure that industries such as Carnation's and McCain's are able to sustain their operations and that others could in fact do the same thing.

Decentralization is something that our government initiated and I think must progress. The \$5 million that was identified in the budget is a clear indication that this province does in fact want to proceed with decentralization. Not only should we proceed with decentralization from a perspective of moving people or positions into rural communities, we should in fact encourage also the economic decentralization in this province.

*(1750)

I believe that can in fact be done by using programs such as the Sustainable Communities Program, developing programs such as the rural development bonds that we have talked about for some time. I understand that the Minister of Rural Development (Mr. Downey) is going to in fact proceed with developing and bringing that forward and ensuring that this can be used to enhance and encourage industrial development in many of our areas. It is a form of equity investment in our own communities by people in our communities, which, I believe, will not cost the government very much money. They need not be interest-bearing bonds; they can be bonds that are simply investment vehicles.

When there are profits in these industries that these bonds will be invested in, then the returns on those investments can be funnelled back to the original investor. I believe that is something that we should encourage. I believe the stock investment in industries is something that many of our people are not very familiar with, and maybe it could even be used as an education tool to teach how investments are made and encourage many more people to invest in our own economy.

Madam Deputy Speaker, there are only two other issues that I want to talk about, and one of them has to do with agriculture. The programs that were previously in place to support agriculture, such as Western Grain Stabilization, of course, will no longer be there once the GRIP program is fully implemented and many others, be they the billion dollars that was put in place by the federal government of two years ago or three years ago to support western grain farmers and oilseed producers against the trade war, to help them battle the trade war, and also some of the other ad hoc

programs. There are discussions about the transportation incentives that are now being used, and when you take all of them away, it would appear that the loss to western Canada will be better than some \$3 billion to \$4 billion.

If the GRIP program is supposed to take on where all those programs leave off, it will be a very, very expensive program. It will be a very expensive insurance plan for farmers. Therefore, I believe that the GRIP program will not be a long-lasting program. I believe that a program, such as the NISA program, where people invest in their own ability to average incomes is going to be by far a better program than the GRIP program was ever designed to be.

I think that if in fact the agricultural community is going to face long-term low prices, we are going to see a further reduction in people in western Canada. I think that is sad, to comment, for our country because we have the ability to, I believe, produce food, grains and oilseeds and others in a competitive way that no others in this world can. If we could just convince governments to keep their finger out of the agricultural sector business, we would all be better off.

If Europe, for instance, would limit its agricultural support program and would have put a sunset clause on their agricultural support program, when they devised it to limit their production only to their own needs, I think we would not be into this kind of situation.

The export enhancement program that the Americans use is something that is costing farmers in Canada a huge amount of money. When members opposite talk about the Free Trade Agreement and the impact of the Free Trade Agreement on agriculture and/or industry, I have to wonder what effect the American export enhancement program and other programs that they use, their set aside programs, in fact have on our agriculture.

Maybe it is time that our farmers in this country challenge some of the American programs under the Free Trade Agreement. I think we need to counter some of the programs that they have. If we would do that, I believe that we might in fact be successful in pointing out that these programs that the Americans in fact use today to compete against you and me successfully, could in fact be challenged under that agreement.

The member for Flin Flon (Mr. Storie) has continually been critical of this government for not paying particular attention to northern Manitoba. There are a number of areas that I think would the honourable member for Flin Flon visit and talk to—and I single out the area of The Pas. The member for The Pas (Mr. Lathlin) is, of course, not present today, but if the member for The Pas were, he would attest to the fact that this government has probably spent more money in the agricultural community to enhance their ability to produce crops in that area by expanding the Pasquia Project, as well as spending and investing large amounts of money in the Ducks Unlimited project just outside of The Pas.

These are major job creation activities, and I certainly want to just put on record that I believe we have done a substantial amount in northern Manitoba to encourage development and further job creation in that region.

Madam Deputy Speaker, I want to thank you for allowing me the opportunity to put a few of my comments on record in this debate on the budget. I hope that the nations of the world come to their senses and that we are in fact able to turn the economics of this province around to encourage and bring back the employees who lost their jobs in the last few days.

Mr. Storie: Madam Deputy Speaker, I have already spoken on this matter. I am wondering if the member for Emerson (Mr. Penner) would entertain a question, if there is leave?

Madam Deputy Speaker: Is there leave to have the honourable member for Emerson (Mr. Penner) respond to questions?

Some Honourable Members: Leave.

Mr. Storie: Madam Deputy Speaker, I have been having trouble, since the introduction of the budget, with the inconsistencies in remarks from members opposite. In the opening remarks of the member for Emerson (Mr. Penner), he said, this government supports supply management. I want to know, can the member for Emerson tell us, does he support supply management or does he support free trade?

Mr. Penner: Madam Deputy Speaker, it gives me a great deal of pleasure to rise to answer that question. I certainly say yes to both.

I am a great proponent of supply management. I believe that supply management can truly exist

under the Free Trade Agreement. There are provisions made under the Free Trade Agreement, and I think I could quote the section under which supply management is adequately protected. You could ask the dairy people, you can ask the poultry people and I think they would concur with what I say. It will be, in large part, the efforts of you and me as to whether we want to in fact, over the long term, maintain supply management or whether we want to bring other sectors of society in supply management.

Let me say this to you: Supply management does in fact prevent our smaller producers from entering the industry.

I say to you, as I said before, I have no problem supporting supply management because it does

support adequate incomes to those that are in the business. However, the young farmers of our province are having a great deal of difficulty diversifying. -(interjection)- That is right. I just want to indicate clearly to the honourable member that I believe both can exist side by side.

Mr. Dave Chomiak (Kildonan): Madam Deputy Speaker, before I start my comments—

An Honourable Member: It is 6 o'clock.

Madam Deputy Speaker: The debate shall remain standing in the name of the member for Kildonan.

The hour being 6 o'clock, this House is now adjourned and stands adjourned until 10 a.m. tomorrow (Friday).

Legislative Assembly of Manitoba

Thursday, April 18, 1991

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