



Third 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

LIB - Liberal; ND - New Democrat; PC - Progressive Conservative

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	LIB
ASHTON, Steve	Thompson	ND
BARRETT, Becky	Wellington	ND
CARR, James	Crescentwood	LIB
CARSTAIRS, Sharon	River Heights	LIB
CERILLI, Marianne	Radisson	ND
CHEEMA, Gulzar	The Maples	LIB
CHOMIAK, Dave	Kildonan	ND
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	ND
DOER, Gary	Concordia	ND
DOWNEY, James, Hon.	Arthur-Virden	PC
DRIEDGER, Albert, Hon.	Steinbach	PC
DUCHARME, Gerry, Hon.	Riel	PC
EDWARDS, Paul	St. James	LIB
ENNS, Harry, Hon.	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Cliff	Interlake	ND
EVANS, Leonard S.	Brandon East	ND
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen, Hon.	Springfield	PC
FRIESEN, Jean	Woleseley	ND
GAUDRY, Neil	St. Boniface	LIB
GILLESHAMMER, Harold, Hon.	Minnedosa	PC
HARPER, Elijah	Rupertsland	ND
HELWER, Edward R.	Gimli	PC
HICKES, George	Point Douglas	ND
LAMOUREUX, Kevin	Inkster	LIB
LATHLIN, Oscar	The Pas	ND
LAURENDEAU, Marcel	St. Norbert	PC
MALOWAY, Jim	Elmwood	ND
MANNES, Clayton, Hon.	Morris	PC
MARTINDALE, Doug	Burrows	ND
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	ND
PRAZNIK, Darren, Hon.	Lac du Bonnet	PC
REID, Daryl	Transcona	ND
REIMER, Jack	Niakwa	PC
RENDER, Shirley	St. Vital	PC
ROCAN, Denis, Hon.	Gladstone	PC
ROSE, Bob	Turtle Mountain	PC
SANTOS, Conrad	Broadway	ND
STEFANSON, Eric, Hon.	Kirkfield Park	PC
STORIE, Jerry	Flin Flon	ND
SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary	Fort Garry	PC
WASYLCIA-LEIS, Judy	St. Johns	ND
WOWCHUK, Rosann	Swan River	ND

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, December 12, 1991

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Speaker: I have been advised by the honourable member for Point Douglas (Mr. Hickes) that the honourable member would not like to proceed with Presenting Petitions at this time and would like his name stricken from the Routine Proceedings. Is it agreed, unanimous consent to have the honourable member's name withdrawn? Agreed? Agreed.

TABLING OF REPORTS

Hon. Albert Driedger (Minister of Highways and Transportation): Mr. Speaker, I would like to table the Annual Report for the Department of Highways and Transportation for the year 1990-91.

MINISTERIAL STATEMENTS

Hon. Albert Driedger (Minister of Highways and Transportation): Mr. Speaker, I have a statement for the House and I have copies for members.

Mr. Speaker, I have a statement on a matter of major concern to the province of Manitoba and to our ability to provide emergency medical services by air.

Last Friday, December 6, the federal government's National Transportation Agency notified the Manitoba government air division that the NTA had unilaterally and with no consultation issued a cease and desist order demanding that we stop providing our emergency air ambulance service immediately.

The basis for the order as we understand it is a jurisdictional issue. The NTA apparently believes our air services should be under their jurisdiction. What that would mean is that we would have to operate under the rules which would severely limit our ability to provide emergency services. More specifically, we could only land at nine of the 35 community airstrips that we now service. We

responded to the NTA order by requesting clarification, and the order was suspended briefly until Monday, when it was reimposed.

Since that time, I have corresponded twice with the federal minister responsible, the Honourable Jean Corbeil, and spoke to him by phone yesterday afternoon. I asked Mr. Corbeil to intervene to lift the NTA order until we could sit down at the table and discuss the federal position. He declined to do so unless we agreed to apply for an NTA licence which, as I said, would severely limit our operations.

I want to advise the House as I have advised Mr. Corbeil that the government of Manitoba cannot suspend our emergency air services. The Manitoba government has operated emergency medical services by air for close to 60 years and our current dedicated medi-vac jet has been operating with no problems whatsoever since 1985. The first Citation came into service in 1981. Throughout that time, our service has been recognized throughout North America as among the best of its kind. There is no safety issue involved here, and I repeat, there is no safety issue involved here. Our service complies fully with all federal Department of Transport safety regulations.

* (1335)

What seems to be involved is a jurisdictional ambition or perhaps stubbornness of one of our federal agencies. We are hoping to be in court on Friday to ask that the federal order be withdrawn. In the interim, we cannot risk patients' lives by complying with what we believe to be a totally unacceptable position by the NTA. Our medi-vac service has currently transferred about 700 patients a year on emergency flights or an average of close to two a day. That service must continue. I will advise the House of further developments as they occur. I have also tabled copies of my two letters to the federal minister. Thank you, Mr. Speaker.

Mr. Steve Ashton (Thompson): Mr. Speaker, I want to indicate from the beginning that we feel this is a matter that should have the support of all parties in this House. The air ambulance service is the life line of many northern communities. I know if it was not in place and if there had not been developments

and improvements in the last number of years to make it a dedicated air ambulance service, that the bottom line is clear. People would die in the communities. It is as simple as that. That is how serious this matter is.

We may differ in terms of interpretation, quite frankly, as to whether it is strictly a jurisdictional issue, because having seen the federal government move in other northern matters such as cutting back in terms of the Northern Development Agreement, ACCESS funding, aboriginal funding, communications funding, I quite frankly am very suspicious of the federal government when it does anything that affects northern communities. We do have a different interpretation.

I would also hope, Mr. Speaker, in the nonpartisan spirit of the minister's statement that we might have a nonpartisan approach in this Chamber in eliminating the \$50 user fee that has been put forward on another form of northern transportation, the Northern Patient Transportation, which is equally as important to northern communities. I hope the minister will lobby his Minister of Health in that regard.

The bottom line is this is a very, very serious matter. We are quite willing on this side of the House to work with the minister, if necessary to go down to Ottawa to talk some sense into the federal government, and we wholeheartedly support anything this provincial government can do to reinstate the ambulance service immediately in the form we have come to understand it for the last several decades in this province.

Mr. Nell Gaudry (St. Boniface): Oui, Monsieur le président. Nous aussi, du Parti libéral, nous sommes prêts à assister le gouvernement provincial afin de résoudre ce problème que vient d'annoncer le ministre du Transport. C'était inacceptable de la part du fédéral de permettre que quelque chose de ce genre arrive aux résidents du Nord. On sait combien le Nord est important, le transport surtout. Moi-même, pour avoir travaillé dans le Nord pendant plusieurs années, je sais ce que ça veut dire que le transport.

On ne veut pas être partisans en ce moment. Mais c'est quand même regrettable de voir que la décision que le provincial a prise en fait des services à la famille et de la santé, c'est la même position que la NTA a prise ici. Mais dans un esprit positif, nous serons là pour supporter le gouvernement afin de

renverser cette décision que le gouvernement fédéral a prise et qui est inacceptable en ce moment. Merci, Monsieur le président.

(Translation)

Yes, Mr. Speaker, we also from the Liberal Party are prepared to assist the provincial government to resolve this problem which has just been announced by the Minister of Transport. It was unacceptable for the federal government to allow something like this to happen to northern residents. We know how important the North is, especially transportation. Having worked in the North for several years, I know myself just what transportation means.

We do not want to be partisan at this time. But it is regrettable to see that the decision that the province made in regard to family services and health is the same one that the NTA has taken here. But, in a positive spirit, we will be there to support the government in its efforts to overturn the federal government's decision, which is unacceptable at this time. Thank you, Mr. Speaker.

* (1340)

INTRODUCTION OF BILLS

Bill 3—The Interpretation Amendment Act

Mr. Elijah Harper (Rupertsland): Mr. Speaker, I move, seconded by the member for The Pas (Mr. Lathlin), that Bill 3, The Interpretation Amendment Act (Loi modifiant la Loi d'interprétation), be introduced and that the same be now received and read a first time.

Motion presented.

Mr. Harper: I am pleased to present Bill 3, The Interpretation Amendment Act, for first reading. As members will recall, the Aboriginal Justice Inquiry report was released on August 29, 1991. One of the primary recommendations of the report was that the provincial interpretation act be required that all legislation must be interpreted in a manner that does not derogate or adversely affect the rights of aboriginal people. Bill 3 will be a first step in ensuring that Manitoba laws recognize that aboriginal rights are a fundamental aspect of our society. I welcome support from all parties in early passage of this bill.

Motion agreed to.

Bill 34—The Surveys Amendment Act

Hon. Harry Enns (Minister of Natural Resources): Mr. Speaker, I move, seconded by the Minister of Highways and Transportation (Mr. Driedger), that Bill 34, The Surveys Amendment Act; Loi modifiant la Loi sur l'arpentage, be introduced and that the same be now received and read a first time.

Motion agreed to.

Bill 15—The Highway Traffic Amendment Act

Hon. Albert Driedger (Minister of Highways and Transportation): Mr. Speaker, I move, seconded by the Minister of Health (Mr. Orchard), that Bill 15, The Highway Traffic Amendment Act, Loi modifiant le Code de la route, be introduced and that the same be now received and read a first time.

Motion agreed to.

Bill 39—The Salvation Army Grace General Hospital Incorporation Amendment Act

Mr. Gerry McAlpine (Sturgeon Creek): Mr. Speaker, I move, seconded by the member for Seine River (Mrs. Dacquay), that Bill 39, The Salvation Army Grace General Hospital Incorporation Amendment Act; Loi modifiant la Loi constituant en corporation "The Salvation Army Grace General Hospital," be introduced and that the same be now received and read a first time.

Motion agreed to.

* (1345)

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 from the Grant Park High School, twenty-seven Grade 9 students. They are under the direction of Richard Dooley. This school is located in the constituency of the honourable member for Crescentwood (Mr. Carr).

Also, from the Kildonan East Regional Secondary School, we have fifteen Grades 11 and 12 students. They are under the direction of Debbie Bugera. This school is located in the constituency of the honourable member for Concordia (Mr. Doer).

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

ORAL QUESTION PERIOD

Economic Growth Government Priorities

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, over the last few months when we have been out of session, all of us have been listening to people across the province. Whether it is in a coffee shop or at a farm gate or in a living room or in a northern community, a southern community, a rural community, an urban community, at a plant gate or an executive office, all Manitobans have told us that the No. 1 issue and priority facing Manitobans, indeed facing this country, is to get people working again, to get people working and get Canada working again in this recession.

Yet today, we note with great concern that the No. 1 priority for the Filmon Conservative government, for the government of the day, is to get social spending under control. That will be the message the Minister of Finance (Mr. Manness) takes as our No. 1 priority to the economic conference, the Finance Ministers' Meeting today, not the No. 1 priority from other provinces, Mr. Speaker, because other provinces are saying unemployment and getting people working should be our No. 1 priority.

I would ask the Premier: In light of the fact that jobs are mentioned in the Speech from the Throne over five times, what is the No. 1 priority for the province? Is it jobs as we have been saying, or is it something else that the Minister of Finance is taking down to the Finance Ministers' Meeting now?

Hon. Gary Filmon (Premier): Mr. Speaker, the Speech from the Throne clearly lays out the government's agenda and its priorities. Economic development and growth and jobs are the No. 1 priority for this province.

Finance Ministers' Meeting Government Agenda

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, then can the Premier explain to the people of Manitoba why his Finance minister (Mr. Manness) is going to Ottawa with a different priority than the priority stated in the Speech from the Throne and stated in this Chamber?

Why is his Minister of Finance on a different script with a different priority than the priorities that were in the Speech from the Throne that were articulated in this House through constant questions over the

last five or six days? Why does he allow the Minister of Finance to have a separate priority item from the government? Is it because he is not on the economic board of cabinet or is it because they are not communicating or they have different messages? Can the Premier please explain that to Manitobans?

Hon. Gary Filmon (Premier): Mr. Speaker, I have before me the draft agenda for that Finance Ministers' Meeting and clearly it says Canada's economic situation and prospects is one of the major topics under the heading of economic and fiscal review. It has the discussion of the First Ministers' Conference on the economy noting my letter to the Prime Minister on it as another one of the topics. Clearly, there are a number of topics on that agenda and very definitely several of them cover the issue of improvement in the economy, investment, job creation and growth for the future.

Mr. Doer: Mr. Speaker, the Premier has not answered the question. His Minister of Finance going to the meeting is saying that the No. 1 priority will be controlling social program costs. Further, in an interview today on one of the national media outlets, when asked the question of whether the Manitoba government and the Minister of Finance supports the monetarist policies that are leading to high unemployment in this country as contained within the economic unity package of the federal government, the proposal for an economic union, the Minister of Finance stated that he was in support of those policies. Is this the policy of the Conservatives in Manitoba, to have the same policies that are leading to high unemployment in Canada, in Manitoba, as articulated by his Minister of Finance in Ottawa?

Mr. Filmon: Mr. Speaker, as a result of the policies of this provincial administration in Manitoba, we have the second lowest unemployment rate in the country today. Even in the past month, it dropped from 9.4 to 8.7.

In addition to that, Mr. Speaker, this province is experiencing some of the highest growth in manufacturing employment anywhere in the country. I will be more specific for the Leader of the Opposition (Mr. Doer) so that he knows the policies that we subscribe to and indeed the results of those policies. Manitoba's manufacturing employment in November 1991 was up 1,000 persons from last November and, indeed, 1.7 percent higher than it was during the same period a year-to-date year over year 1991 versus 1990.

I might say to you, during that same period of time Canada as a whole dropped by 7 percent, we grew by 1.7 percent. In addition to that, the conference board is saying that as a result of our policies next year Manitoba can expect, 1992, a growth rate of 4 percent. That will be above the national average.

In addition to that, capital investment is expected to reach in the manufacturing sector \$293 million for 1991, up 7.7 percent from last year, the fourth best growth rate of any province in the country as a result of our policies and the direction we are taking.

* (1350)

Bill C-20 Government Position

Ms. Judy Wasylycia-Lels (St. Johns): Mr. Speaker, I have an urgent matter to raise with the Premier.

The federal legislation to cut cash payments for health care to the provinces is now before the Senate. It has passed through the House of Commons. We have only days if not hours to try to stop the passage of Bill C-20, when at home this government expresses concern and alarm, as did the Minister of Finance (Mr. Manness) just a couple of weeks ago.

Outside of this province this Premier tends to compliment the federal government on its health care financing policies as this Premier did at the First Ministers' meeting in 1989 when he said, on health care financing, your government has taken some promising steps.

I would like to ask the Premier, will this government, will this Premier who refused to send a member of his government to join me in Ottawa and appear before the federal Finance committee dealing with Bill C-20, at least now tell us if he is prepared to end the doublespeak, roll up his sleeves, deal with Ottawa head to head and try to stop Bill C-20 before it is too late?

Hon. Gary Filmon (Premier): Mr. Speaker, I might say one of the major topics of the Finance Ministers' Meeting that is going on today in Ottawa, at which our Minister of Finance (Mr. Manness) is representing the province, is federal-provincial fiscal relations. With respect to federal-provincial fiscal relations, they will be talking about equalization renewal. They will be taking about major transfers on health and post-secondary education. They will

be talking about our concerns for the unilateral federal cutbacks.

I might also say that I have said publicly over and over and over again we are opposed to the federal cutbacks, just as opposed as we were when the Trudeau administration began them in the early 1980s when they were accepted, obviously, by the then NDP government of the day. -(interjection)-

Well, Mr. Speaker, they had no effect on them whatsoever. They may have expressed their differences, but they had no effect. They were put in by the Trudeau administration, and regrettably they have been carried on by the current federal administration in Ottawa.

We are opposed to them. We have said so at every opportunity, every time we have met as First Ministers, every time Finance ministers have met, every time we have had discussions with the Prime Minister or any of his senior ministers. That opposition remains to those reductions. -(interjection)- No, I did not.

Ms. Wasylycia-Lels: Mr. Speaker, and the government has done nothing on Bill C-20.

I ask the Premier, where has he been for the last six months when Bill C-20 was introduced in the House of Commons, a bill which the Minister of Health (Mr. Orchard) knew all about and did nothing to inform his colleagues to ensure that medicare is preserved.

Mr. Filmon: Mr. Speaker, the member knows full well, because she has copies of all the communiques that have been issued, that every single meeting that I have attended with other Premiers I have indicated our total opposition to the unilateral federal cuts in health and post-secondary education.

Legal Opinion

Ms. Judy Wasylycia-Lels (St. Johns): Mr. Speaker, will the Premier, who did not see fit to seek his own legal opinion on Bill C-20, at least take the most recent legal opinion, that by Goodman and Carr, which states clearly that Bill C-20 constitutes an invalid attempt by the federal government to regulate the delivery of health care services in the provinces, something that is beyond—

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

Hon. Gary Filmon (Premier): Mr. Speaker, this government has indicated in the past, even in throne

speeches, that we are prepared to address any actions by the federal government with respect to transfers that we believe unilaterally are not only unacceptable but possibly illegal. We are prepared to take any action that is within our means to oppose those cuts.

* (1355)

Finance Ministers' Meeting Social Programs

Mrs. Sharon Carstairs (Leader of the Second Opposition): Mr. Speaker, it is very clear what the agenda of the Finance minister is in Ottawa from this province. He has said very clearly that his No. 1 agenda item is cost containment of social programs.

Will the Premier tell this House today in addition to the following what other advice is he going to provide to his fellow ministers? Is he going to suggest that they too freeze 55-Plus programs, that they too cut high school bursaries for single-parent moms on welfare? Are they too to cut training programs in their northern regions? Are those the kinds of pieces of advice that our Finance minister is going to give to other Finance ministers?

Hon. Gary Filmon (Premier): Mr. Speaker, I can tell you one thing that the Finance minister will not be advocating. He will not be advocating the position of the Liberal Party in this House or the New Democratic Party in this House, which is simply to spend more money and raise taxes at a time when the people of this province are already under great economic pressures, when they are struggling to keep their farms, struggling to keep their homes, struggling to keep their jobs. The last thing they need is to follow the advice of the Liberal Party and the NDP of this province and that is to spend more money and to raise their taxes. That advice he will not give.

Labour Adjustment Strategy

Mrs. Sharon Carstairs (Leader of the Second Opposition): Mr. Speaker, can the Premier tell us what advice the Minister of Finance (Mr. Manness), representing his government, will give to the other Ministers of Finance with respect to the formulation of a national labour adjustment strategy, which is sorely needed in this nation as well as in this province?

Hon. Gary Filmon (Premier): Mr. Speaker, this government has consistently indicated that is one of the unfulfilled commitments of the federal

government with respect to the various changes that have been taking place in our economy, restructuring and so on, during the past number of years, that a labour adjustment strategy is something we need. We will consistently carry that message to Ottawa. It is their responsibility primarily, flowing out of the Free Trade Agreement with the United States, that they will have a federal adjustment strategy with respect to employment.

Mrs. Carstairs: It obviously was not in the cribnotes of the Minister of Finance (Mr. Manness).

Social Programs

Mrs. Sharon Carstairs (Leader of the Second Opposition): Would the First Minister of this province tell us if the Minister of Finance is also going to make suggestions to his fellow Finance ministers about "workfare" initiatives?

Hon. Gary Filmon (Premier): Despite the fact that issue was raised and recommended to us by the member for Brandon East (Mr. Leonard Evans)—

Mr. Speaker: Order, please.

Point of Order

Mr. Leonard Evans (Brandon East): Mr. Speaker, on a point of order, the NDP believes in work, not welfare. Never did we ever suggest—

Mr. Speaker: Order, please. The honourable member does not have a point of order. It is a dispute over the facts.

* * *

Mr. Filmon: Mr. Speaker, as I indicated just moments ago, that the member for Brandon East is quoted in Hansard—

Mrs. Carstairs: What does that have to do with my question?

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please.

Mr. Filmon: Quite evidently the Leader of the Liberal Party (Mrs. Carstairs) does not realize it was that statement that she is attempting to quote that is generated by the statement that was made—

* (1400)

Mr. Speaker: Order, please.

Point of Order

Mr. Steve Ashton (Opposition House Leader): On a point of order, Mr. Speaker, the rules in

Beauchesne's are very clear when it comes to answers, that they should not lead to debate and they should deal with the matter raised. I am sure the member for Brandon East (Mr. Leonard Evans) would love to debate the issue of economic policy with the Premier, but this is Question Period. I would like to ask you to call the First Minister to order.

Hon. Darren Praznik (Acting Government House Leader): Mr. Speaker, the matter that the First Minister was addressing arose out of a question that had to do with a statement made in this House by the member for Brandon East. I would hope the member for Thompson (Mr. Ashton) would ask that the same latitude that has been allowed for the member for St. Johns (Ms. Wasylycia-Leis) also be allowed to other members of this House.

Mr. Kevin Lamoureux (Second Opposition House Leader): Mr. Speaker, I would maybe ask if the Premier has some qualms with the New Democratic Party on some other unrelated issue that he can call the member into his Premier's office and he can debate it.

Beauchesne's is very clear. Beauchesne's says that the reply must be with the question asked. I would ask the Premier (Mr. Filmon) to answer the question put forward by the Leader of the Liberal Party (Mrs. Carstairs).

Mr. Speaker: Order, please. On the point of order raised, I thank all honourable members for their advice, but I believe the honourable First Minister was attempting to answer the question on the matter that was raised.

* * *

Mr. Filmon: I realize that this is a very sensitive issue for members opposite. If they will please refrain from heckling, I will try and get the answer out.

Mr. Speaker, on Monday of this week the member for Brandon East (Mr. Leonard Evans) said, "Will this government consider now finally or implement an anti-recession program such as providing jobs for welfare recipients . . ."— jobs for welfare recipients. Clearly, as anyone would, the Minister of Finance (Mr. Manness) took that as meaning work for welfare recipients. That is what he was suggesting.

I just want to say to the member for River Heights (Mrs. Carstairs) that to my knowledge that is not a matter that is on the agenda of the Finance ministers, and I do not expect that the Minister of

Finance of our province will be raising it at that meeting.

Port of Churchill All-Party Committee

Mr. Elijah Harper (Rupert Island): Mr. Speaker, my question is to the Minister of Transportation. The Port of Churchill is potentially facing permanent closure in just four or five months according to the minister who has failed even to get his Conservative members of Parliament to support Churchill and also nor has he had any support from his cabinet colleagues.

My question to the minister is: Will this minister put together an all-party committee along with the representatives from the bayline communities to go directly to Ottawa to make the case for Churchill?

Hon. Albert Driedger (Minister of Highways and Transportation): Mr. Speaker, the issue of Churchill has been and will continue to be a difficult one. I want to indicate to the member that this Premier and this government are dedicated to keeping Churchill open and viable. I want to also indicate that a lot of correspondence and conversations have taken place in the last while about the Port of Churchill. I addressed it to some degree in my speech to the throne where I put forward some concerns where I had more time.

I also had discussions with the official critic to some degree indicating the plan of action that I was going to lay out which is basically that Shirley Martin, the Minister of State for Transport, is the one who is responsible for Churchill. We are arranging a meeting, my colleague the Minister of IT&T (Mr. Stefanson), the Minister of Rural Development (Mr. Downey) and myself. We are hoping to have that meeting with the federal minister very shortly to bring forward very strong concerns.

Mr. Speaker, I want to indicate to the member that if we do not make proper progress, I think this is not a political issue in this House. I think we all are on the same side with this issue, that we will take and work together with whomever wants to in terms of trying to resolve it.

Mr. Harper: My supplementary question to the minister is: Will he establish an all-party committee or have representatives of bayline go directly to Ottawa to make the case for Churchill? In 1988, there was political will, and action was taken by the member for Churchill.

Why has this minister not taken similar action?

Mr. Driedger: Mr. Speaker, I would believe, as elected government representing all Manitobans, that we put forward a position that is on behalf of all Manitobans. We will continue to do it along that line.

Mr. Harper: I have a short supplementary. My question is: What is the minister prepared to do or what is this government prepared to do to support the Port of Churchill? I know there has been an announcement with respect to the rocket range and also the northern VIA line is dependent on the opening of the Port of Churchill.

What is this minister prepared to do?

Mr. Driedger: Mr. Speaker, I thought I had outlined the proposal or the direction that we were going to take. We will be meeting with the federal minister responsible for it, bring forward our concerns.

Mr. Speaker, I can assure members of the House that if that is something that will enhance our position, that it is an all-party committee—that has to be the considerable period of time, we will look at that. We first have to go through a certain process to find out where we are at.

I have to indicate as I did publicly in this House before that I think it is a very crucial time for decisions regarding Churchill. We will do whatever we can to make sure that our concerns are brought forward.

Aboriginal Justice Inquiry Report Recommendations

Mr. Oscar Lathlin (The Pas): Mr. Speaker, my question is for the Minister of Justice. Last week the minister got quite upset when I questioned him as to why there had been no action taken on the AJI report. Yesterday the Law Reform Commission of Canada released a report stating that provincial and federal governments should start giving aboriginal communities the authority to establish aboriginal justice systems. This report follows five provincial inquiries into aboriginal justice that made similar recommendations.

My question is: When will this minister announce his first change to the justice system as a result of the AJI?

Hon. James McCrae (Minister of Justice and Attorney General): Mr. Speaker, as we approach this matter, I can set out for the honourable member a chronology of events that have gone on in

Manitoba since the receipt of the first draft of the Aboriginal Justice Inquiry report from the commissioners. That goes back to August 12 and there are numerous events that have happened since then which I will be reporting publicly within a reasonable period of time.

Of course, it is going to be interesting to know if the position that the honourable member takes with regard to justice systems in the future in this country will be consistent with the position that he has taken and that others have taken with respect to the Constitutional Task Force report.

Judicial System Aboriginal Participation

Mr. Oscar Lathlin (The Pas): A supplementary question to the same minister: Why is it so difficult for this government to announce that it intends to ensure that the number of aboriginal people working in all areas of the justice system from probation services to courtrooms will be increased, or that changes will be made for example to the circuit courts immediately?

Hon. James McCrae (Minister of Justice and Attorney General): I have no hesitation in acknowledging, Mr. Speaker, that this government has done a much better job than previous governments in this province in raising the level of aboriginal participation in the delivery of justice services in Manitoba. If the honourable member wants to sit down with me we can compare notes about how things went with Roland Penner and Victor Schroeder as compared with what has been happening the last three and a half years. I will be proud to show that information to the honourable member, but I acknowledge that much, much more needs to be done.

The honourable member is no doubt referring to what is going to be coming, and I can tell him that within the next weeks he will be hearing more about this. I will be happy to sit down and show the honourable member with people involved in my department to show the increase in aboriginal participation in the delivery of justice services in Manitoba.

Mr. Lathlin: Mr. Speaker, we are not asking for a review to be done on studies.

Aboriginal Justice Inquiry Report Recommendations

Mr. Oscar Lathlin (The Pas): My last question is again to the Minister of Justice (Mr. McCrae). Can the minister table a document today or with a given time frame in the future that would outline a clear plan of action as to how he proposes to implement the recommendations which are contained in the AJI report?

* (1410)

Hon. James McCrae (Minister of Justice and Attorney General): Yes, Mr. Speaker, in the near future. I say to the honourable member, however, that the honourable member during the three years that it took the judges to prepare this report, I do not recall him ever urging the judges to hurry up and get on with it. Those judges, in the work that they were doing, were doing the important work or researching the issues involved and listening to the people here in Manitoba respecting aboriginal justice.

Now it comes time to do something, I have to tell the honourable—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please.

Mr. McCrae: If the honourable member and his colleagues are interested in hearing the response to an important question, I suggest they sit and listen to the answer that I am going to give, Mr. Speaker.

When it is time to do something, rather than study as has been done for the past three years—these things do take some time, the honourable member ought to recognize that—I think he will find the announcements that do flow will be far more substantive than even he thinks is possible and certainly more substantive than Howard Pawley, Al Mackling, Roland Penner—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please.

Conawapa Dam Project Contract Validity

Mr. James Carr (Crescentwood): Mr. Speaker, I have a question for the minister responsible for Manitoba Hydro (Mr. Neufeld), and again, we would like to congratulate the minister on his unusual candour.

This week he told us that Manitoba could not get out of a power deal with the Ontario government,

and furthermore, if he knew back in 1989 what he knows today, he would have to think very long and hard about signing the agreement with Ontario.

The minister may not be as trapped as he thinks. Clause 1301 of the agreement with Ontario reads, and I quote, this agreement is subject to Ontario Hydro obtaining approval of the Lieutenant-Governor-in-Council of Ontario and Manitoba Hydro obtaining the approval of the Lieutenant-Governor-in-Council of Manitoba on or before January 31, 1990, for the respective party to enter into this agreement.

I have a copy of an Order-in-Council, which I will table, from the government of Ontario which is dated March 21, 1990, some six weeks after the deadline in provision 13 of the contract. Does this not make the contract between Ontario and Manitoba null and void?

Hon. Harold Neufeld (Minister responsible for The Manitoba Hydro Act): Mr. Speaker, I would not pretend to pass legal judgment on an agreement or an Order-in-Council passed by the Ontario government. I would suggest that we leave that to the lawyers to decide.

Mr. Carr: Mr. Speaker, will the minister consult his lawyers immediately and write a letter to the Minister of Energy of the Province of Ontario indicating that the Manitoba government now is in possession of a substantial breach in the power sale agreement with Ontario?

Mr. Neufeld: Mr. Speaker, I am not sure that Ontario is in breach of a contract. I will undoubtedly be asking Manitoba Hydro to bring the contract to my office and we will ask Manitoba Hydro to get legal opinion with respect to the lateness of the Order-in-Council being passed.

Mr. Carr: Mr. Speaker, since the minister has already said on the record this week that he regrets the deal and that he would treat the deal differently if he had the information that he has today, will he now agree to call or write or otherwise contact the Minister of Energy of Ontario and immediately renegotiate the power deal with that province?

Mr. Neufeld: Mr. Speaker, I think I had better correct the member for Crescentwood. I have never said I regret the deal. What I have said is if I knew in 1989 what I knew today I would have difficulty recommending the building of Conawapa to the cabinet of this government. As far as contacting the Minister of Energy in Ontario, it is something that I

have considered, but I think if we are going to do that we will not do that publicly. We will have to do that privately. I do not think we can negotiate any deal or out of any deal in public.

GRIP Program Government Position

Mr. John Plohman (Dauphin): Mr. Speaker, over the past year this Minister of Agriculture has stubbornly defended and promoted GRIP even when confronted by the farmers of Manitoba and by the opposition daily in this House. He has defended the premiums, he has defended the 15-year moving average, which is not based on the cost of production. He has refused to acknowledge the unfair treatment of farmers in the southwest corner of this province and of those farmers who have not been on crop insurance previous to joining GRIP.

Will the minister now listen to the farmers and acknowledge that GRIP is a failure as it now stands and if so, will he indicate to this House what action he is prepared to take to correct those problems?

Hon. Glen Findlay (Minister of Agriculture): Mr. Speaker, over the course of the last 15 months I have probably met with 20, 25, maybe 30 different farm groups, organizations and associations of people on GRIP and the kind of support that they want in rural Manitoba. We have responded in a substantive way.

The member says lack of support in southwest Manitoba. We responded to their concerns and gave them area average coverage as a minimum for 1991, which is what they asked for and what they received. The level of income supplied in GRIP is to offset some of the shortfall because of a grain trade war and we will continue to have that coverage in place. Manitoba is the only province to have their signatories to the GRIP national committee go out and meet with farmers in public meetings. This is the only province to do that. We are asking for direct input which the signatories will then take to the national committee which then will make recommendations to the federal-provincial ministers. We are proactive in responding to what the farmers of this province want.

Premium Increase

Mr. John Plohman (Dauphin): Mr. Speaker, since nearly 40 percent of the farm families are paying a penalty of 11 percent by this minister under crop insurance, his words ring hollow.

Will the minister explain how he can justify up to a 6 percent lower coverage under GRIP for next year and a 35 percent increase in farmers' premiums for the coming crop year when this program has not even met their needs in the current year? How can he justify this kind of policy?

Hon. Glen Findlay (Minister of Agriculture): All the farmers in the grains and oilseeds sector have lived in this province and this country for years and years and years, depending on the marketplace. That is what they want to produce to and respond to.

The marketplace has failed them fairly significantly because of the grain trade war. This program has been put in place to offset some of that hurt. Those farmers have always had to determine their cost of production by the decisions they make in the choices of crops they choose and the kind of inputs they put in and the technology they put behind their farming practices. That has not changed at all. We give them one more, I guess, a crutch to lean on in terms of GRIP, in terms of being able to make those decisions. We have a crop insurance review in place in the province of Manitoba, again, the only province in western Canada to go through this process.

If the member's statements are true, they will come out through the review and the recommendations will come back.

Mr. Plohan: The minister is not denying lower coverage and higher premiums next year, Mr. Speaker.

Crop Insurance Crop Adjuster Salaries

Mr. John Plohan (Dauphin): In view of the fact farmers desperately need off-farm income to survive, why is this minister now threatening to throw 200 crop adjusters, who are mostly farmers in rural Manitoba, out of work unless they sign a contract forcing them to take an 80 percent cut in pay?

Hon. Glen Findlay (Minister of Agriculture): I am not asking anybody to do what he is alleging.

The Crop Insurance Corporation strikes an agreement with the people who work for them, whether it is the employees or whether it is the per diems they hire to do various jobs. I will ask the Crop Insurance Corporation what contract he is talking about.

Gas Utilities Monthly Fixed Charge

Mr. Jim Maloway (Elmwood): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs.

The gas company's \$10 per month fixed monthly charge provides a lightning rod of anger against the gas company. Elimination of the gas company's fixed monthly charge of \$10 a month in favour of a commodity charge would promote conservation with people who conserve gas in paying less. The Premier promised that much on page 3841 in Hansard on June 25 of this year when he said: ". . . I want the NDP to save \$10 a month for every senior in this building by passing Bill 44."

My question to the minister is: Why does the minister support the fixed gas charge?

Hon. Linda McIntosh (Minister of Consumer and Corporate Affairs): Mr. Speaker, the PUB controls the rates set for the public for several utilities, this being one of them. The fixed charge is a charge set by Centra Gas that will cover their standing ongoing expenses, their overhead, bookkeeping and so on.

The bill we introduced to help collect the delinquent accounts I believe will see the consumer saving a great deal of money, not necessarily directly in what they are paying out but in what they will not have to pay out, perhaps both. Certainly \$10 a month is the minimum; I think that they would be a bit ahead.

Mr. Maloway: The minister is obviously unaware that the PUB—

* (1420)

Mr. Speaker: Order, please. The honourable member for Elmwood, kindly put your supplementary question now, please.

Mr. Maloway: Mr. Speaker, will the minister explain why the PUB at this very moment is making a decision as to whether or not they are going to eliminate the fixed charge and why she has not at this point made representation to them on this matter?

Mrs. McIntosh: The PUB is structured to work independently. That is the whole purpose of the PUB. For the minister to direct the PUB to make any particular decision would be gross interference and most inappropriate.

Mr. Maloway: Mr. Speaker, when will the minister make herself available and make representation to

the PUB before this decision is made in the next couple of days?

Mrs. McIntosh: Mr. Speaker, I believe the answer I gave to the same question a moment ago still covers the same question.

Government Reports Environment Friendly Products

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

Yesterday in this House, the Farm Lands Ownership Board Annual Report was tabled, Mr. Speaker. It starts by duplicating the front page. Then there are three pages with various pictures of officials including the minister, one sentence letters. Then there is one page of written substance. Then there are five blank pages. I assume the minister is giving us five pages for notes on the one page of substance.

Mr. Speaker, how does this -(interjection)- Perhaps autographs. How does this blatant wastage of paper and government resources square with this government's commitment to reduce waste by 50 percent by the year 2000 and this minister's personal commitment to make government the leaders in that agenda?

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, this is a demonstration of why we have been working in an all-party committee in this Legislature to get away from publishing 91 copies for this Legislature every time we table a report. As soon as we have an agreement on that, we will reduce that waste.

Mr. Edwards: Mr. Speaker, I am pleased to advise we made that offer a year ago to the minister.

Mr. Speaker, for the same minister. Why is the Department of Environment covering page, which was tabled yesterday, covered in glossy bleached paper when we know that recycled paper was obviously available because it was used for the Farm Lands Ownership Board cover? Why is this department lagging behind in the use of environmentally friendly products when this minister again has made a personal commitment to be the leader?

Mr. Cummings: Mr. Speaker, the vast majority of information that is published directly out of our office is on recycled and recyclable paper. I think that we should also as a House work with the Queen's

Printer to make sure we start looking at the papers that are used there.

Farm Lands Ownership Board Report Production Costs

Mr. Paul Edwards (St. James): Mr. Speaker, finally, for the minister responsible for Government Services on the same issue.

What was the production cost of the Farm Lands Ownership Board Annual Report? What would have been the cost of producing a one-page report?

Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Citizenship): Mr. Speaker, as the Queen's Printer does fall within my department, I will ask that question and bring information back to the House.

Core Area Agreement Public Consultations

Ms. Jean Friesen (Wolseley): Mr. Speaker, on Tuesday, the minister indicated that a new core area memorandum could be signed soon by the three levels of government.

In November, he also confirmed publicly at a community meeting at Rossbrook House that he was prepared to see community participation in the development of the new initiative.

Will the minister tell the House when he is prepared to begin this process of consultation by circulating a discussion paper on the future of the inner city?

Hon. Jim Ernst (Minister of Urban Affairs): Mr. Speaker, when I attended at Rossbrook House, the Urban Futures Group, who sponsored the conference or the meeting, asked certain specific questions to which I was asked to respond, and which I did.

It is our view that public consultation is a necessary part of any activities undertaken by government, and we intend to fully do that. However, until such time as we have the hard commitment from our partners in this arrangement, it is difficult to proceed with any kind of consultation when you know not of which you are going to be consulting. Mr. Speaker, once that is concluded, which we anticipate to happen very soon, then we will embark upon a consultative process.

Mr. Speaker: The time for Oral Questions has expired.

ORDERS OF THE DAY THRONE SPEECH DEBATE

Mr. Speaker: Adjourned debate, fifth day of debate, on the proposed motion of the honourable member for Niakwa (Mr. Reimer).

For an address to His Honour the Lieutenant-Governor in answer to his speech at the opening of the session, and the proposed motion of the honourable Leader of the Opposition (Mr. Doer) in an amendment thereto, and the proposed subamendment of the honourable Leader of the Second Opposition (Mrs. Carstairs), standing in the name of honourable member for Thompson (Mr. Ashton) who has 15 minutes remaining.

Mr. Steve Ashton (Thompson): Mr. Speaker, yesterday when I began my remarks, I pointed to the many historical changes which have been taking place throughout the world, the many dramatic changes that have been taking place. I contrasted that towards the end of my speech with this government, which seems to be reaching back pretty far in history to draft up its economic programs and political programs for the 1990s—(interjection)—Well, there is a suggestion that they have reached back to the Depression of the 1930s, Herbert Hoover, and indeed we see that.

I think they have gone back even further than that, and that is the ancient Roman days, when the emperors in those days worked out the formula for political power. It was a very simple formula, Mr. Speaker, and it was in those days bread and circuses. They provided the mass with bread and circuses.

When we talk about circuses, we are talking about perhaps the forerunners of what is known currently as circuses. They also had another version of it as well, and this is where I think this fits in with the policies of this government.

They had the gladiators who would fight each other. That is in fact perhaps part of Conservative political philosophy as well, to divide and conquer, and they are very good at that, to try and set one group in society against another. We are seeing this most recently with the Minister of Finance (Mr. Manness) and his comments on welfare recipients, try to somehow blame them for what is happening, but they also used to go further as well, and we all know how the Christians in those days were thrown to the lions, all for what? For the entertainment of the masses. Indeed, I have mentioned before about

scapegoats; this government has found many a scapegoat. I listed off many, and one key one we have seen in this debate is working people and the people who represent them day in and day out through the democratic process in the labour movement. So indeed they are reaching back in terms of circuses.

In fact, I would suggest that the government's actions with the Winnipeg Jets are probably very much in keeping with that. Now, do not get me wrong, I am a fan of the Winnipeg Jets. I have been to see them personally. I have enjoyed taking my son there, and I know my son and daughter plan on going to see the Winnipeg Jets next time they are in Winnipeg. I would be remiss if I did not mention the fact that they are doing very well this season, leading their division. I believe they are fourth overall, and certainly I follow them as a sports team.

Quite frankly, I have some difficulty with the priorities of this government in coming up with an agreement to supposedly keep the Jets in Winnipeg that is leading to them underwriting the losses of the Winnipeg Jets, guaranteeing that this operation which is significantly privately owned in addition to the public ownership will have its losses underwritten. Mr. Speaker, how many other small business people will have that luxury in our recession? How many farmers will have that luxury? Not very many, in fact, none. There is another reason behind that because in this case it is not a question of the economics here. They want to keep the Winnipeg Jets here in the city of Winnipeg.

* (1430)

I ask on behalf of my constituents in the eight northern communities how this is going to benefit them, how the Premier (Mr. Filmon) can explain to residents of communities—they do not even have a hockey arena, they do not have any sort of sports facilities of any significance—how this government is going to spend millions of dollars over the next number of years to keep professional sport in the city of Winnipeg? How are they going to explain to those communities?

It is not even just recreation, Mr. Speaker. What about the communities that do not even have sewer and water and are being told by this provincial government that they will not readjust the criteria for sewer and water? How are they going to explain to those communities that do not have sewer and water? How about the communities that do not have

adequate housing? How is keeping the Winnipeg Jets in the province, or in this case underwriting the losses of the private owners of the Winnipeg Jets going to help them in any way? How about the people who are unemployed? In my area we have the highest rate of unemployment in Canada, 23.3 percent officially and in many communities it is three times that. How is it going to help them?

Well, Mr. Speaker, I know the Conservative government does not have an answer to that. I know the Minister of Northern Affairs (Mr. Downey) does not have an answer, because the fact is that is not the point of what they are doing. The point is, as I said, to provide the circus, the "don't worry, be happy" mentality of the 1980s, in 1991, going into 1992. That is the approach of the government, "don't worry, be happy." They have done that rather well; they packaged it. They have gone to great degrees now to try and attempt to spin their message. One steps out in the hallway and one is surrounded not just by members of the press, but people from the Premier's office and various offices who are scrumming the scrums.

That is all part of the process, but they are missing the point when it comes to the bread, Mr. Speaker.

I think there are some ministers there who have some sense of what they want to do, the Minister of Education (Mr. Derkach) in particular. Do you know, the Minister of Education has not understood that providing bread to a select Tory few, personal or political acquaintances, of using the position of power that ministers have—(interjection)—using or indeed abusing—abusing, as the member for Burrows (Mr. Martindale) points out—that provides bread to whom? To those who are hungry or out of work, the many people using our food banks, the many people who are on welfare in this province, on UIC? It provides assistance to those who do not need assistance, the Tory few, the well-connected Tory few.

Indeed, in this fundamentally important category, this government is failing, because they will not succeed in the 1990s with simply circuses alone. They will not succeed with providing only benefits to their own select few. In fact, I would suggest there should be a new program for this government. Perhaps they should update it somewhat and look to the traditions of back to the suffragettes, I believe, Mr. Speaker. They talked not of bread and circuses, but bread and roses. I believe this government

should learn its lessons from history in a more recent time.

Well, Mr. Speaker, I really wonder if this government will learn. I doubt very much. I suspect, and I will make a prediction as we begin this session that they will become increasingly desperate as the time goes along. We will see more and more scapegoats. I have remarked before, as well, that we will see more and more personal attacks. I have reminded members of this Legislature of Stephen Leacock's saying I believe in 1907. It was a quote from Stephen Leacock, who was no socialist, was a conservative actually, who referenced then that conservatives, failing principles, fall back on personalities.

I make a prediction, Mr. Speaker. You will see that. We are already seeing this with the Premier on various attacks on the Leader of the Opposition (Mr. Doer), and we will see that throughout the session, and not from all members. I know there are some very honourable members who will not do that. There are other honourable members who, unfortunately, will. I say, that is regrettable.

We are increasingly going to see this Conservative government point the finger anywhere it can find. It will blame the NDP, although it is not doing that quite so much anymore, because I think we pointed out quite effectively the last session, when they talked about the previous government, they were the previous government. They have been in power for three years. They are in power federally. If ever there was a chance for them to prove their agenda, it is now, Mr. Speaker.

You know, they will point to the labour movement, and I do not believe it will have any impact, Mr. Speaker. The labour movement does not control the federal government. It does not control the provincial government. It is fighting for the interests of workers, but has no control over the governments. Obviously, they cannot point the finger to the labour movement and find that.

Mr. Speaker, at some point in time people are going to recognize what they are doing with welfare recipients or people of different regions of this province for what it is. The people on welfare are not to blame for the economic problems we are faced with. The people on welfare are not. It is the Conservative government—the Conservative government and their failed economic policies here in Manitoba and provincially. Indeed, the member

for Portage (Mr. Connery), when he comes back to reality, I am sure will have to recognize that. Comes back to reality—I did not say he was in or out of the Chamber. When he comes back to reality, it will in fact be the case.

You know, we see that time in and time out. I said before about the cynicism of politics and politicians. Who can help but be cynical, Mr. Speaker, about what is happening with this government and the federal government? We saw earlier today, they are cutting off the life flight service, the air ambulance service in northern Manitoba. The federal government is going to cut off the air ambulance service over jurisdictional dispute? I cannot believe anybody could be that stupid, shortsighted and ignorant in this country, but apparently the federal government is. At least that is one issue we are on the same side.

Quite frankly, there are many other areas where we see the shortsightedness and the ignorance of this government, particularly in northern Manitoba and throughout this province, because it is based on the same philosophy—blame the victim, find the scapegoat, point to anybody else except yourself.

There is only one way the government will understand what is happening. There is only one way they will develop an economic policy that will satisfy the needs of Manitobans. It starts with acceptance and recognition of what the true problem is. We see this in many parts of life where one has to make a very difficult decision of accepting that one is ill if one has an illness or accepting the death of a family member or of a friend.

Acceptance, that is what the government has to do. It has to go look itself squarely in the mirror and understand and accept that it is being responsible for the severity of the recession in Canada and here in Manitoba. There is no way around it. You can point to anybody you like, Mr. Speaker, but this government has had the labours of power since 1988. In 1988 they were full of all the answers—indeed they were full of it in 1988. In 1991 they somehow do not have the answers anymore, but they have the power.

I want to say, as I look back on the last 10 years, if anything I find that I personally am more idealistic than I have ever been, largely because I have seen the difference you can make. I saw in the last recession the difference that a job creation strategy, that being the kind of strategy outlined by the

member for Brandon East, we had then work not welfare—work instead of welfare, not this approach the Finance minister copied from Bill Vander Zalm that victimizes people on welfare. It worked. We had some of the best results in Canada relative to any other province in the toughness of the recession.

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

I want to say it can work again. I am convinced now more than ever of the need for public involvement in the economy, for public involvement to create jobs, Madam Deputy Speaker. We have seen the failure of the approach of this government. The First Minister (Mr. Filmon) who used to say and does not say anymore, we just step aside and let the private sector do its job. That is not working. It is not working in any jurisdiction, and it is particularly not working here in Canada.

I say to the Premier, and I said yesterday, stop trying to develop economic strategies for Ukraine and Russia, develop one for Manitoba. Do not have the hypocrisy to go to eastern Europe and give them any sense that you have the answers when you are failing the needs of this province.

As I said before, it has been an interesting 10 years. As I enter my own personal second decade, I just want to complete my remarks by thanking those who elected me in the first place, the people of Thompson, first the city and then the seven other communities. I said at that time I would participate fully in the Legislature and speak out for them at every opportunity. I have repeated that over the last 10 years.

I want to say that probably the most satisfying thing I have ever had—probably the best thing I could have done over the last 10 years of my life is to work with the people of Thompson and the people of the seven other communities of Ilford, Pikwitonei, Thicket Portage, Wabowden, Split Lake, Nelson House and York Landing in the Thompson constituency to work to better northern Manitoba.

* (1440)

I believe, as I approach the second decade, it is important to stress once again, indeed I will continue to speak out in whatever role I may be granted in this Legislature. My No. 1 priority will be to listen to the grass roots, listen to the people of my constituency. I will say, Madam Deputy Speaker, in conclusion, that when we get wrapped up in our political arguments and partisan arguments in this

House, we could learn a lot from the simple wisdom of many of the ordinary people of this province and the wisdom of the elders in many northern communities, the seniors in many of our urban communities who have the wisdom, who have seen what has happened, who have gone through the Great Depression, who have gone through wars, who have gone through troubled times. As we are in our own troubled times, we can look to them for experience and wisdom.

I, indeed, will be looking to them throughout this session, and for however long that I am in public service, for however long the people of Thompson constituency will give me the privilege of being here, I will do that. Indeed there is hope we can accomplish things if we just only learn from history, if we can just follow what is happening in the rest of the world, if we can try and move into the 1990s with some hope and some idealism instead of cynicism, we can accomplish a lot more in the province of Manitoba. Thank you.

Mrs. Shirley Render (St. Vital): Like members before me, I wish to begin by saying how nice it is to have the Speaker, who actually now is in the loge, again in the Speaker's Chair. I know that your judgment is fair and, more importantly, is respected by us all. Welcome back also, Madam Deputy Speaker, to you and to all of the staff of the legislative Chamber and, of course, a very warm welcome to our new pages.

I would also like to congratulate the mover and the seconder for their thorough and often stirring comments.

Madam Deputy Speaker, these are not easy times for Manitoba or for Canada or, indeed, for any part of the world. This fact was reflected in the throne speech. Significantly, the first heading was titled "Meeting the Economic Challenge." I do not mean to imply that the other headings are of lesser importance but simply to point out that without dealing with our economic problems we cannot hope to come to grips with our commitments to all of the programs that fall under the umbrella of social services and community protection.

I think it is also significant that there is a heading titled "Aboriginal Self-Government." This government realizes the importance to finding solutions to the many concerns expressed by aboriginal Manitobans.

It is also with interest that I noticed two farther headings. They were "Toward a Stronger Manitoba" and "A Stronger Canada." What with the globalization of markets and the breaking down of trade barriers, it is absolutely imperative that Manitobans concentrate on making not only Manitoba a strong and vital province but all of Canada a strong and united country so that we may retain our place as one of the world's leading nations.

I want to focus first on the heading "Meeting the Economic Challenge." As we are all aware, Canada is experiencing one of its most serious recessions since the Great Depression of the '30s. Manitoba has not been immune to its impact. Thus it is imperative that we continue to spend carefully and prioritize so that we can provide the health, education and family services that Manitobans have come to expect.

Madam Deputy Speaker, I was very pleased to hear that once again this government is going to freeze personal income taxes. Honourable members, this is the fourth consecutive year that this government has frozen personal income taxes. In fact, I think, at this moment in time, it would be worthwhile just to remind everyone of the Filmon government's record regarding taxes since we took office in 1988.

1) We have cut taxes for families; 2) we have cut taxes for small business; and 3) we have cut taxes for farmers. Here it is, three and a half years later, and we are still holding the line on personal income tax in spite of the devastating effects of the recession.

Indeed over the last three years, this government has worked hard to build a solid foundation for economic development. We have sought to control government spending as well as create a positive climate for investment, so that once the recession is over, investors will look upon this province as the place to put their money.

However, because the recession has lasted longer than anyone predicted, it has forced us to look at nontraditional ways to stimulate economic growth. To ensure that Manitoba has a competitive edge for both national and international markets, this government has, let me just state this: 1) created a new economic development board of cabinet with a mandate to co-ordinate government-wide efforts

aimed at economic growth within the framework of sustainable development.

2) This government will restructure the Department of Industry, Trade and Tourism to increase the emphasis on strategic initiatives and to make the department more project oriented in its approach, in having it work more closely with individual firms and groups of companies to create development opportunities.

3) This government will bring forth legislation to restructure the Manitoba Research Council into the Manitoba Economic Innovation and Technology Council, and this entity, Madam Deputy Speaker, will draw together the resources of government, business and labour, plus research, the research community here in this province, to put this province in the forefront in terms of economic leadership and technological innovation.

These three initiatives will work together, in fact will enhance other initiatives that the government has already put in place, and I just want to go over some of these: The first is the Crocus Investment Fund that was established to help workers take an ownership role in the company that employs them; the second initiative was the Vision Capital Fund which provides financing for Manitobans with good ideas that can be turned into jobs; third, the Manitoba Industrial Opportunities Program, which assists companies who wish to invest in Manitoba; fourth, the Mineral Exploration Incentive Program, which was put in place to spark exploration and mining activities.

Then there are the rural initiatives, and since there are many members of my caucus, of my colleagues who are from the rural areas, I think I will let them talk about the job creation, industrial development and economic diversification programs in that area.

One of the initiatives that I am very pleased to see that this government has taken has to do with the aerospace industry. I have been involved in the field of aviation for about 15 years and, as such, have been very aware of the needs of the various sectors in this area. I wonder how many in this Chamber know just how valuable the aviation industry is to the economy of this province. Okay. Did you know that Manitoba has the third largest aerospace sector in Canada? Manitoba has some of the giants of the industry located right here in the province, Bristol Aerospace, Boeing of Canada, Standard Aero. How many of you knew that there are approximately 30

companies that are involved in aircraft manufacturing and maintenance and in support services equipment, and that Manitoba's aerospace industry employs some 5,000 people and has sales of over \$500 million?

Now, before I zero in on some of the government's initiatives, I want to give you a short lesson on Manitoba's aviation history.

Since World War I, Manitoba has been a leader of the aviation industry and the development of the aviation industry. For instance, in 1926, James A. Richardson of Winnipeg, one of Canada's leading businessmen, founded Western Canada Airways. That company proved to be so successful in opening up the North and promoting the development of the North's resources, that in 1930 Mr. Richardson expanded that company into a national company called Canadian Airways Limited.

In 1942, this company formed the basis of Canadian Pacific Airlines which in turn, over the past decade and because of various mergers, is now Canadian Airlines International Limited, one of Canada's two major airlines. Then there is MacDonald Brothers, now Bristol Aerospace and Standard Aero. Those are two more names that come to my mind when I think of the pioneering role that Manitoba has played in this field. So you can see, we have a very proud heritage.

* (1450)

This government has been and continues to work hard to ensure that Manitoba maintains our eminence in the aviation industry and, indeed, that we attract more firms and increase productivity. Let me just recite some of the recent initiatives that we have taken. There is United Parcel Service Canada Ltd. Here we have the expansion of facilities to make Winnipeg the hub for its cross-border freight destined for western Canada. This will probably result in about 500 new jobs by the year 1996.

Then there is Standard Aero, a \$6.5-million expansion and modernization program. This will translate into 25 jobs over the next one and a half years. We have Bristol Aerospace Limited which has undertaken the upgrading of the F-5 aircraft. The market for this is in the range of about \$12 billion over the next 20 years.

This government also worked very hard last spring to ensure that the privatized training activities would be undertaken at Southport Aerospace Centre following the closure of Canadian Forces

Base Portage in 1992. Currently, we are discussing with Piper Company and with the Canadian Space Agency regarding the mothballed rocket range at Churchill. These all show that this government is well aware of the value of the aerospace industry to Manitoba. Of course, all of these initiatives and all of these jobs at these companies translate into manufacturing exports. They provide jobs and, of course, they also provide a high technology window for Manitoba companies.

I also want to just comment a little more on the aerospace industry, because it is one of the industries in the world that is continually developing, changing and growing. What this means, of course, is that it has to be constantly replenished with a skilled work force. The aerospace industry expects that up to 3,000 new jobs will be created in Manitoba over the next 10 years. This figure does not take into consideration what the requirements might be if the Churchill Rocket Range is reactivated or the Piper Company locates here in Manitoba, two possibilities that you may remember reading in this week's paper.

I think it is quite clear that we need aircraft mechanics, sheet metal workers, airframe assemblers, composite technicians, avionics technicians, just to name a few. I think with the background that I have just given you, you can understand the importance of the aerospace training initiatives that we have introduced. I will just remind you of them.

In late April, we announced a \$6-million joint initiative involving the federal and provincial governments and local aerospace companies to develop the necessary skilled work force. I just mentioned earlier that the aerospace industry has forecast that there will be up to 3,000 new jobs created. To meet this demand, this government has also refocused our training programs in aircraft manufacturing and repair at Red River Community College. These programs will be introduced in the fall of 1992. The programs will include such things as avionics training, composite materials technology and expansion in computerized numerical control machinery.

By providing these courses, we will be providing our companies with a highly skilled labour force. That, along with the sophisticated, high quality products they produce, will be a key selling point for the economic development of Manitoba.

Madam Deputy Speaker, just last month I listened to William Selby, Vice-President of Fabrication Division, Boeing Aircraft of Seattle, speak on the materials used in the manufacturing of Boeing aircraft. He emphasized how prevalent the use of composites were.

Right here in Winnipeg is a firm that recognizes the importance of developing composite materials. This company is called Advanced Composite Structures. Just a few months ago it signed a Memorandum of Understanding with the Helicopter Division of Aerospatiale of France to have the Winnipeg firm repair and remanufacture metallic and nonmetallic composite components for all models of Aerospatiale helicopters.

It was this government which assisted Advanced Composite Structures with the costs of acquiring the agreement. This project will generate export and interprovincial sales and create up to 25 skilled jobs within five years. This government will also be working with the federal government and the Canadian Space Agency to ensure that Manitoba's unique capabilities to provide support to the agency's Long Term Space Plan will be recognized and used to develop opportunities for economic growth and development in this area.

Madam Deputy Speaker, I think there can be no doubt that this government has recognized that there was a shortage of a trained work force and has moved to correct it. It has also recognized how important the aerospace industry is to Manitoba's future.

We have also identified strategic business and industrial opportunities in other areas as well, for instance, in the environment, health and information technology sectors. In fact, just this week, as reported in the Free Press on December 10, I read: "Apotex Inc., Canada's largest pharmaceutical firm, announced yesterday it was building a new plant in Manitoba that would be the focal point of a completely new industry in Canada—the production of the raw materials used in many medicines."

I want to continue the quote here from the Free Press. It goes on to say: "The new plant is expected to create 100 new jobs by the time it's in operation and solidify the current staff levels of 34 jobs at the former ABI plant . . ."

The Minister of Industry, Trade and Tourism (Mr. Stefanson) said: ". . . overall the operation could mean as many as 130 jobs in Winnipeg will either

be created or retained. It's a win, win, win situation." That is the way this government operates—in a win-win manner.

Madam Deputy Speaker, from economic development I wish to turn now to family services and judicial initiatives.

Many years ago I worked for Children's Aid Society, now Child and Family Services. One of the most heartbreaking and frustrating aspects of my job was dealing with family violence and child abuse. I found it absolutely appalling that there were many women and children who assumed that violence and abuse, whether it was verbal, emotional or sexual, were simply part of life.

This government's educational program, telling women and families that wife abuse is a crime, did a great deal to open up doors that had been kept shut for too long. Then with the appointment by this government of Winnipeg lawyer Dorothy Pedlar to investigate domestic violence, the government took another very important step in this battle.

Just a little more than a month ago, the Minister of Justice (Mr. McCrae) released the Domestic Violence Review by Dorothy Pedlar with this statement: "this province will strive to become free of domestic violence where abuse will be acted upon as a criminal offence."

Madam Deputy Speaker, this statement by the Minister of Justice is very significant for it sends a very clear signal to abusers that domestic violence will no longer be tolerated in Manitoba and there would be sweeping changes to the judicial system to ensure that this is the case. Just last week, the Minister of Justice announced the establishment and composition of the Domestic Violence Community Advisory Committee, a committee that is well-qualified to deal with the issue of family violence.

Mr. Nell Gaudry (St. Boniface): Is he going to take action?

Mrs. Render: Yes, the member for St. Boniface asked, is the minister going to take action? Yes, he certainly is and this is action right now.

There are other initiatives regarding the protection of children which were highlighted in the throne speech and in areas of health that I would like to touch on, but I see that I am running out of time.

I would like to comment on one other part of the throne speech and that is Manitoba's all-party task

force on the Constitution. As you know, the task force reached a consensus on October 25, 1991. I was very proud to be a part of the constitutional task force and the all-party agreement.

I know that some people think it is fashionable to say who cares about the Constitution and what does it have to do with the economic woes of the country. Well, Madam Deputy Speaker, the Constitution is a document that does have relevancy to today's problems. Canadians, more specifically Manitobans, want political institutions that are more responsive to our wishes.

Our Premier (Mr. Filmon) has talked about the problems caused by the federal government's unilateral decision to offload federal transfer payments. Manitoba needs protection from this kind of arrogant decision making.

The task force recognizes that forces outside of Canada were increasingly affecting us, and that it was necessary that Canada be equipped to deal with the economic challenges of the next century. If we, as Manitobans and as Canadians, wish to maintain our prosperity, if we wish to ensure our continuing high standard of living and if we want to continue to try and reduce the disparities that exist between the various regions of Canada—and that, honourable members, is one of the most important and enduring principles of Confederation—then we have to have an economic union that is functional and fair. Manitoba's constitutional task force dealt with those issues. I have only time to list a few of our recommendations, but I think they will be enough to convince those who were skeptical of the usefulness of the task force that the task force did some valuable work.

One, the task force recognized that the present Senate was ineffective in making sure that our concerns, Manitoba's concerns, were heard in Ottawa. We therefore recommended that the present Senate be dissolved and a new Second Chamber created that would act as a voice to speak for provincial, territorial and regional concerns.

* (1500)

We also recommended that the new Senate be capable of reviewing the decisions made by the House of Commons. We also felt it necessary that the new Senate be given status and legitimacy, and therefore we recommended that it be elected.

We also felt that the western and Atlantic provinces must have a balanced representation with

central Canada. We therefore recommended that seats in the Senate be distributed equally or equitably to balance provincial, territorial representation.

Finally, we recommended that the Senate have the power to review and if necessary to delay legislation, but only for a limited period of time. Also, that the Senate be given the role of reviewing significant appointments made by the federal government, as well as the power to review federal programs that impact directly on the provinces such as equalization and established program financing.

The Supreme Court also came under the task force's scrutiny because its decisions on such matters as the spending power directly affect the relationship between the provincial and federal governments.

We also wanted to ensure that the selection of Supreme Court judges be changed to ensure that the Supreme Court was sensitive to regional concerns. To this end, the task force recommended replacing the existing centralized and unilateral selection process with a process which would provide for the federal government to consult with the provinces or the territories before the federal government formally appointed a new justice.

The task force was also concerned by federal government cutbacks to equalization, established program financing and the Canada Assistance Plan, and we wanted to protect Manitoba from such action in the future. We wanted to put a stop to the federal government acting on its own in this area, and we therefore recommended that the constitutional guarantees of equalization payments be strengthened.

In fact, in the Winnipeg Free Press—What is today's date, somebody? The 12th? Okay—just in yesterday's paper reported that when the Minister of Finance (Mr. Manness) attended the provincial financial ministers' meeting this week, one of his priorities would be to try to obtain a new deal on equalization payments. -(interjection)- Well, Madam Deputy Speaker, if the task force recommendations were in the Constitution, he would not have to be doing this.

So you can see, honourable members, that, yes, discussions on the Constitution are very relevant and are very important to the economy of our province.

The task force also recommended that the federal government's obligation to support EPF programs be entrenched in the Constitution and that mechanisms be developed to ensure that the federal government was sensitive to the concerns of the province.

I want to conclude, Madam Deputy Speaker, by saying that I am convinced that this government will meet the challenges that lie ahead, that this government will build a stronger province, that we will create economic growth in our communities, and that this process has begun by our efforts at keeping taxes down and deficits under control and by working to ensure that Manitoba is a viable province in a united Canada. Thank you.

Mr. Conrad Santos (Broadway): The first thing I will do, Madam Deputy Speaker, is to express my gratitude to the constituents of Broadway who have placed their trust and confidence in me and selected me as their representative, their eye and their ear in this government.

I propose to deal extensively with the problems of our economy in a rather lengthy way, and then hope to highlight at least three basic ideas, namely: First, that we must first create wealth before we can redistribute it. Second, people are more important than money or wealth. Third, given new problems, we need new approaches in dealing with our societal and economic problems.

In mythology of Greece, there was the land of the Cyclops, the one-eyed monster. One of these Cyclops is named Polyphemus. He was blinded by Ulysses and after this brutal act was done, the blind Cyclop demanded the name of the person who did it to him. Ulysses said my name is no one. So the Cyclop started talking to his fellow Cyclops and said no one blinded me. No one blinded me, no one blinded me. So at that, Ulysses escaped being held responsible or accountable for what he had done.

When we, as the people ask, who is responsible for managing the economy of this province? Who is responsible for the 11 percent rate of unemployment that we are suffering today? We will hear the answer, no one. Who is responsible for the 51,000 people now on the welfare rolls in our province? We will hear again the answer, no one. When we ask who is responsible for the 2,450 Manitobans who have declared personal bankruptcies? The usual answer we get from the government is no one. Who is responsible for only 1,300 housing starts

constituting a 40 percent decline in our construction industry? The government will answer, no one. Like Ulysses, the government is evading its responsibility. They would reply, no one is responsible. Yet the claim always has been that this is a government of the best economic managers.

* (1510)

They have a claim that they are the best to manage the economy of this province. They are now in charge provincially, and they are in charge federally, these so-called good economic managers. Managers should be judged not by claim but by performance. We have to judge and evaluate management by results. In terms of results, I do not think that the claim for good management is holding any water.

If we are to talk about any kind of balanced economy, the only kind of balance that is happening now is in a new definition in the midst of economic difficulties. We have a balanced economy only in the sense that the number of cheques being written are being balanced by cheque bouncing for lack of funds, because people are being laid out of work.

The people who are keeping their jobs, the lucky ones, are being balanced by the greater number of people who are being laid out of work. The number of skilled workers who are choosing to stay in this province are being balanced by the number of other workers who are departing for other provinces.

Let us look objectively into our economic situation, into our economic problems. What is the problem? What is the problem in the management of our economy, provincially and federally? What went wrong with the supposed competent Tory economic management? Has Tory competence become and turned into Tory incompetence? No. Have the economic managers been applying outdated economic principles? More likely.

According to the director of John Deutsch Institute for the Study of Economic Policy in Queen's University, the downturn in our economy that we are experiencing now, which is reminiscent of the downturn in the economy in the '70s, in the '80s and last year, '90s, is due to the application of the wrong principle which is the monetarist policy, the brain child of the new Conservative economic policy.

An Honourable Member: Are you talking provincially or federally?

Mr. Santos: I am talking about both in general. The monetarist policy, as everyone knows, is the theory

of Freedman. It is seeking to use monetary policy to control inflation. The Central Bank of Canada has adopted a high-interest policy in order to control inflation, but this means to control inflationary pressure in our economy, in time, led to the unwelcome increase in unemployment, increase in bankruptcies, loss of economic output and loss of productivity.

What is ironic about this, because of the use of the wrong instrument of policy to deal with our economic problem, the very instrument, the very means that is used to control inflation, the high interest policy of the neoclassical economic philosophy, adds to the cost of borrowing, even the borrowing by small firms, so that small firms increase their borrowing prices and they pass it on to the cost of the product and therefore contribute to the very inflation which it is seeking to reduce.

In other words, the very means being used to control inflation has itself ironically become inflationary. That is what is wrong with our economic system.

There are other explanations for the failure of our modern economic system. Some of these other explanations, the one that clearly stands out in the literature, one among them is the so-called captive agency theory. This is associated with Stigler, an economist from the University of Chicago. He is saying in fact that the government institutes regulatory agencies. These regulatory agencies are supposed to watch over the economic behaviour of certain groups and interests in society. The trouble with this is that the regulatory agency which is supposed to watch over and monitor the interest group that they are supposed to be regulating ultimately becomes the captive of those interest groups and becomes their primary spokesman, so that the regulator now becomes the regulated in the sense that they succumb to the pressure of the interest that they seek to regulate.

The other kind of explanation that they offer is what is known as the public choice theory, which is associated with the name of the economist James Buchanan. He is saying in effect that politicians, including ourselves, bureaucrats, those who work for the government, promote not the public interest, but particularistic interests.

An Honourable Member: Which interests?

Mr. Santos: Particularistic interests, group-specific particular interests rather than the general interests.

Is this the case? Just watch over what is happening, for example, in our national Parliament. You hear news about Mazankowski, the Deputy Premier, speaking about the interest of the western farmer. You hear about John Crosbie from Newfoundland arguing and espousing the cause of the East Coast fishing industry, everybody trying to work for their own particular interest, unmindful of the general public interest. That is the public choice theory of explanation of our failure. Those are the alternative explanations. Moreover, in some of our social institutions, in some of our programs there are certain kinds of rules that are not so rational in terms of the goals and objectives we are trying to promote.

For example, in our social welfare programs there are certain rules that say if you are a recipient of some social assistance you cannot work, and as soon as you start working a little and earning a little they cut you off.

Let us analyze this situation. Does this promote self-reliance? Does this promote individual independence and individual integrity, or does it promote dependence on our social system?

Does this promote self-reliance? Of course not, but these are precisely some of the rules. To be specific, the Canada Assistance Plan has a specific provision which prohibits the workfare program as a modification of our welfare program, whereas the workfare program has proved so successful in the United States in helping the poor uplift themselves so that they develop self-reliance and are able to stay independent of the social assistance system.

An Honourable Member: Are you promoting workfare?

Mr. Santos: I am not saying anything. What I am saying is there are certain rules that are inconsistent with our objectives.

An Honourable Member: Why would you back off now? You like the idea, you promote it, say it.

Mr. Santos: I am saying it. So the government, because of dwindling resources our receipts are flat, the revenue of government is dwindling, scarcity, the economy in great difficulty. Being a society, everybody will have to share in this burden.

There is some movement now in many government levels, from the federal to the provincial to the city level of government, on cut-back management. It means they want to manage organizational change towards lower levels of resource consumption. They have to undertake

hard decisions. Who among the employees shall be let go? Who shall be laid off? They have to make hard decisions what kinds of programs have to be maintained, what kind of programs have to be scaled down, what kinds of programs have to be eliminated. They have to decide which clients will be deprived of services that they now enjoy, they have to decide which group will have to be asked to make sacrifices. It is here where the values of justice and fairness and humanity and compassion come in. Are we supposed to put all the burden on the back of those who are already suffering and already deprived? Is that the function of a good government?

* (1520)

During Question Period, for example, there was a question about the fixed charges of Centra Gas. The fixed charge is a charge that you pay if you are a client of Centra Gas, regardless of whether you consume less gas or no gas at all, you have to pay that as a fixed charge to take care of the fixed component of the cost of running a public utility. Running a public utility involves two categories of costs. The fixed charges, the fixed costs that will be incurred regardless of output of production, regardless of the level of production, or regardless of whether you have used nothing, the fixed cost will be there. The variable cost which depends upon the level of output, this varies with the level of production with the unit of output.

An Honourable Member: Are you talking of productivity?

Mr. Santos: I am about to. The utility which is a public utility—and the reason why it is a public utility is because it is supposed to sell the interests of the general public. Right? Now, if you are a client, a public utility must first of all render service. If it can make money along the way and render service accordingly, fine, but that is not the primary purpose. The primary purpose is to render service to the people.

If, because of the greater number of the small user, those who are owners of single homes, renters of apartments, those who own small homes, there are so many of them in number that they are being asked now to pay a portion of the fixed cost of running a public utility, regardless of and independent of the question of whether they are consumers of gas or not, or whether they consume less or more. Mostly, these are the consumers who

use less or little gas at all, yet they have to pay the fixed cost of running a public utility, whereas what they call the product charge, the consumption charge, that is what you actually consume or use.

The larger the user is in terms of volume of consumption, if the fixed cost is part of the consumption cost, naturally they will have to carry the burden, both fixed and variable costs, with them. The more they consume, the more they pay, but because the two charges are separated, the fixed costs are now being taken away from the shoulders of the big consumers and being placed on the burden of the little consumer. This is asking the small user to subsidize the big users. That is the effect of that kind of policy.

It is wrong to put the burden of our scarcity on those who are less able to meet the burden of society. It is morally reprehensible to give benefits to those who already have and take away and put the burden on those who already have very little. What are the methods that any government in charge of managing the economy can undertake in order to take care of the dwindling revenues and, at the same time, render reasonable amounts of services to the people who need them?

The tactics which they can use are that they have across-the-board cuts all along the way, regardless of agency or program or whatever, just a 10 percent cut across the way—that would be the simplest rule—or they can target their cuts, depending on the importance of the department or the agency. In here there are some considerations, whether it is based on objective criteria of meeting certain social objectives or not or whether the criteria is personal or political. It becomes personal and political that they cut only those who are their political enemies and give favour only their political friends. Then that is no good.

Why does this Progressive Conservative government cut the welfare recipients' services, who are already poor? Why does this Progressive Conservative government freeze the 55-Plus program designed to support assistance to the senior? Why are they putting all the burden to those who are already bereft and disadvantaged in our society?

There is a better way of achieving a lean government. The better way is by the use of what they call natural attrition. Natural attrition means when the position becomes vacant, when the

occupant of the position retires or when he moves to another position somewhere else in the country, you simply do not fill up the position. That means that you do it in a gradual rational way which will hurt nobody.

If there is massive layoff of the working poor, there are certain implications that go beyond the very worker himself who is fired. It affects the other members of his household, it affects the family situation, it affects even the marriage relations, the dislocation of children.

What happens, for example—can you imagine if you lost your job, and you cannot pay your mortgage any more? Even your marriage can be in danger. There is stress in the relationship. If the wife wants to buy something necessary for the children, and the laid off worker cannot do it, what do you think will happen?

The sudden unemployment of the breadwinner has consequences far beyond the immediate person who is laid off. An emotional sequence follows. There will be shocks, anger, disbelief, disappointment, anxiety, fights, depression. Everybody is involved in case of trouble, not just the one who is laid off. The family must be able to face this together. They will have to talk about it.

The important thing is for the victim, the one who is laid off, the one who has suffered the loss, not to indulge in self-pity. There is nothing wrong in being poor again. Money has never made any person any better than he was before. Indeed, it can spoil you if you do not watch your behaviour. If you dwell on the fact that you cannot take your children anymore to McDonald's because it will be more costly, you will feel miserable if you see other families being able to do so. Just accept that for awhile, for the time being. Nothing is permanent in the world.

Think about things that you can do. Be frugal. Things that are not needed you might perhaps be able to cut them in the family budget, and probably it will pay you some advantage if you talk to people who are able to make both ends meet despite difficulties. They can give you some tips. Cut out soft drinks, frozen entrees and cable television. They may not be needed at all. Be creative. Maybe for things to do, it does not have to cost money to have some kind of free time and recreation. You can go to libraries, museums and public galleries. They are free.

There are so many changes going on in the world today. Among these changes in the world is what is known as globalization of commerce and life itself. Globalization originated in Marshall McLuhan's idea of the global village, that the world is shrinking, everybody communicating with everybody, and so we are now witnessing the phenomenon of transnational corporations that straddle one or more countries using the production method that is sourced in one set of countries and marketing its product in another set of different countries, such that the international global economy is being split into trading blocks, which are influenced by trade policies, tax policies, availability of resources, proximity of markets on a global basis.

* (1530)

Aside from these economic and commercial changes going on in the world, there are certain phenomenal changes that are also taking place at the political level. For example, the U.S.S.R., the Union of Soviet Socialist Republics is actually in the process of breaking up, dissolving itself, disappearing, is gone almost. The east European Communist countries, they are liberated, and they want to go into the capital market system, but before they do, first revive the old ethnic rivalries, and they are now in an inhuman kind of thing, the civil war killings in Yugoslavia, for example.

Why do you think the Communist system collapsed? I am talking about the economic system which is of course interrelated with the political system. I believe that the Communist economic system collapsed because they ignored the role of market incentive in the form of profit motive. They ignored the idea of conception of a freely fluctuating objective price system of the market where the price system is determined by the impersonal forces of supply and demand for goods and services and factors of production that could not otherwise be rationally allocated by fiat and human judgment.

What I cannot understand about the situation of the grain that the Minister of Transport is talking about is why is it that a bushel of wheat in the world market costs only about \$2 or so, and yet in the very home of the granary of the world, if you buy a loaf of bread it costs you also \$2. Where is the money going from? -(interjections)-This is what I do not understand. I cannot explain. How many loaves of bread can you produce from a bushel of wheat? How many, approximately?

An Honourable Member: Fifty.

Mr. Santos: Fifty? And yet it is one of these 50 units that cost \$2, which is the same as the cost of a bushel of wheat. Who is benefitting from all this? Not the farmers. The middleman, the processor, the processing industry. Let us take a look at the pattern of spending in our country from the federal, provincial and city levels of government. Let us analyze it on the basis of facts.

In a 240-page study entitled *Government Spending Facts*, these are the following findings. They took a study and compiled all the kinds of spending at the federal level of government, the provincial level of government and municipal level of government, according to the type of expenditure. You know the largest spending that we are undertaking in our country is spending on our social security program, pensions, unemployment insurance, and welfare at the rate of \$2,350 per Canadian, per head. That is the first one.

The second largest expenditure—listen to this—is the interest charges that we have to pay for our debts. It runs to \$1,907 per capita. That is the second largest expenditure at all levels of government. The third highest expenditure is the spending on health care at the rate of \$1,411 per capita, per individual. The fourth is our national spending on education at all levels of government, \$1,207 per capita. So you could see the pattern there. The first, social spending in pension, unemployment insurance, welfare; second, debt service charges, the interest we pay for the debts, the national debts, provincial debts and other debts, then health care, then education.

If we ask and look carefully through that particular second largest spending, the debt charges, in 1984-1985, the fiscal year where the federal Conservative Party took power, the deficit was \$38.1 billion. They have since undertaken as one of the primary objectives, the primary goal, the reduction of the national debt. They endeavour to focus all their energy, all their talents, all their activities to the reduction of the national debt. What has happened since then? In the present fiscal year, 1990-91, the debt charges amounted to \$43 billion. That is higher than when they started. Good managers they are, they say.

Now, let us look at the pattern of who are shouldering all this interest payment. Who are the provinces that are contributing to the money that is

used to pay for the interest charges of the national debt? What are the levels of their biggest contributions? Ontario, the very first, contributed \$1,431 per capita in the servicing of our national debts. The lowest contributor is of course the poorest province; Newfoundland is contributing \$679 to service the public debts of this country.

An Honourable Member: Manitoba—talk to me about Manitoba.

Mr. Santos: Talk about Manitoba? The people in Manitoba are the most debt-ridden citizens compared to the people of the other provinces in Canada, because we are paying a total annual debt servicing charge of \$2,131 per capita, and you have been in government since 1988, 1989, 1990, 1991—four years. What have you done?

* (1540)

Now let me go to my first point, the first point that you people like to hear and because it is true. Before you can redistribute wealth, you must first create. What will you redistribute if you do not create any?

We can create wealth by opening up more business opportunities in this country. We can create wealth by inducing the production of jobs, economic jobs that are economically productive. We can create wealth by the stimulation of commercial transactions and activities.

An Honourable Member: Give me specifics. Do you give people money? Do you lower taxes? How do you stimulate—

Mr. Santos: That calls for the ingenuity of the managers. -(interjection)- Yes, your ideas. Have your ideas run dry?

Before you can create wealth you must produce the activities that create the wealth. Those activities that create the wealth are undertaken by people we call workers. The natural resources of the Earth will not automatically transform themselves into goods and services. They need the human hands, the workers. The workers are the central factor in the productive process. You may have all the technology you have. You may have all the knowledge you got. You may have all the capital machinery you have. You may have all the investment you got, but if your workers are not skillful enough and your human resource is at a lowest quality, then you cannot produce the wealth.

Of all the factors of production then, I say labour is primary and the workers should be protected.

What are you people doing? Are you protecting the workers?

In the design of government programs, people are more important than money. The best form of investment that any government can undertake is investment in their own people. The best means of investment that any government can make is investment in increasing the level of skills of their workers. It is investment in public education. It is investment in research and technological innovation. It is investment in the healthful diets of their citizens, of their school children who do not have to go and line up in the food banks.

Do you know what British Columbia will be doing? In British Columbia, they will be imposing a 7.7 percent tax on corporate profit so that the money they can get from there they can sustain a hot school lunch for their children. This is what you should know and should understand. If education is expensive, it is more expensive to have an illiterate and an ignorant citizen; but because we are faced with new problems, we have to think of new solutions, a new approach, new models in our economy. We have seen that neo-conservative ideology has been a failure.

Madam Deputy Speaker, those who would use old bottles to store new wines, the old bottle would burst with pressure and the wine would be spilled and the bottles would be ruined. Only new bottles are used to store new wines, that way both are preserved. We have to be innovative, develop our resources in a sustainable way compatible with our environment, and then we can look forward to prosperity in the long run.

Thank you, Madam Deputy Speaker.

Mr. Reg Alcock (Osborne): I would like to begin by thanking the member for Broadway for that bit of advice. If I understood it correctly, he has told us that in order to create wealth we should go to the racetrack and bet on the horses that win. The problem is—I think every member in this House knows that. I think every member in this House knows that workers are important, knows that it is important to invest in people, knows that it is important to create jobs, knows that it is important to create wealth. The tricky part right now is, how do you do that?

Madam Deputy Speaker, I would just like to back up for a minute and say that I am glad to be back. I am glad to be back in the Chamber, and I am looking

forward frankly to the session that is coming up. Before we get too deeply into this I would like to welcome the new pages. I would like to welcome those staff who work in support of this Chamber, who we do not see in this room. They do an excellent job, and we would not be what we are without them.

Some years ago, I decided that I would go back to school for awhile. It was actually on the advice of a good friend of mine, David Walker, who has recently received some praise from the Prime Minister of this country. David at that time, when I was sort of wondering what I might do and thinking of going down to Ottawa or to Montreal, suggested that I look outside of this country for an opportunity to go back. He made the point that you see your own place best sometimes when you get removed from it, when you get outside and you look back, and the member for Crescentwood (Mr. Carr) has recently had a very valuable experience that allowed him to do exactly that.

When I received an opportunity this fall to spend some time again in Boston at the Kennedy School of Government, reflecting on what was happening and spending some time studying about the things that were of concern to me relative to the work that I do in this Chamber, I jumped at the chance. I have spent the last, I guess, 11 weeks now, travelling back and forth between Boston and Manitoba and trying to learn more about three things.

I decided when I went there I wanted to focus my energies onto three concepts. The first was this question of how do we take a relatively small province, in fact an exceptionally leaky economy, move into a global economy and not lose that which we have built here. It is one thing that I think is a very important question and one that we are going to confront over and over and over again. The second thing I wanted to do because I have been in debate with the Minister of Finance (Mr. Manness) of this province for a period of time, was spend some time looking very carefully at models of financing public expenditure, models of taxation and budgeting, and to compare some of the things that we do here with some of the things that are done in other parts of the world.

I also wanted to spend some time thinking about what we do, about why we spend the kind of resources we spend to allow the 57 of us to sit in this room and engage in what is often debate of some questionable value and how often we, all of us, all members of this House step outside this

Chamber and say to ourselves, is this really a productive exercise? Are we really doing something that is going to make life in this province better? I do not think there is a member in this House who has not expressed that.

* (1550)

So I wanted to spend some time thinking about it. I had an opportunity to work with, and I am still working with, an exceptional group of people. Eight of the 10 best economists in the world exist within a few blocks of the Kennedy School, some of the best thinkers on industrial policy. More than that, there is a collection of students who come from all over the world. I have had an opportunity to sit and have lunch with an Israeli naval commander and an Egyptian doctor and some people from the West Bank at the same table talking about what is happening in the Middle East. It is unbelievable when you sit and you look at the problems.

A student of mine this year is about to go back to Cambodia to establish the central bank in Cambodia. Twenty-three members of his family are dead. They were killed in what went on in Cambodia. I look at that, and I say the kind of problems that we face here are trivial in comparison, trivial in comparison to that, but not unimportant in terms of the lives of the people in this province.

I want to just reflect on some of the things that are occurring to me as I think about what do we do. What does a government that spends \$5 billion in a small province centrally located in North America with a little better than a million people, what do we do to compete with New York, Tokyo, Paris, because that is what we are competing with. Capital moves absolutely freely now.

I mean, the member for Broadway (Mr. Santos) is an economist, I am told. He spoke about the factors of production. Well, when you look in a very general way at how we create wealth, we create wealth by manipulating four basic things—resources, capital, labour and technology. When you start to think about that, you think about, how do you work with those factors in 1991 to create wealth here in this province?

We have a resource base. That is something we should be proud of. We have a resource base that has sustained this province for some time, but resources are a problem. The problem with resources is that with new technology, with new methods of production, they are doing exactly what

the member for Broadway (Mr. Santos) would have them not do. They are getting rid of jobs. It is taking fewer and fewer producers to produce the same quantity of material that it did some years ago. As a result, they are shedding labour.

Anybody who farms knows this. My uncles on the farm who are living on a homestead that was exactly one quarter section in size are now farming I believe seven sections in order to sustain the same size of family they sustained on a quarter section.

I attended a workshop given by Lester Thurow from the Sloan School, who made a very interesting point and a very scary point for I think this part of the country and for the central U.S. He said, we forget that Ukraine was once the breadbasket of the world. We forget that Ukraine once supplied food for the entire world. He raised the question, what will happen to the farm economy in marginally productive land in western Canada once Ukraine irons out its transportation problems, once it irons out its delivery problems and comes back on stream as a major producer of food.

The traditional position we have taken as a resource-based economy, supplying materials for production elsewhere in North America or the world, is not one that is fraught with a great deal of promise. The second thing that is happening right now is that with peace around the world there is no longer the danger in investing in Indonesia or in South America or even now in Eastern Europe as companies are flooding in to do so. There is enough political stability that corporations are increasingly prepared to invest elsewhere, so our once advantage of being a stable community is also gone.

Capital moves all over the world at the touch of a button. The ability—and capital moves toward stability and away from risk. When you look at this economy and this province's ability to sustain investment, we have a serious problem. This is a problem we have talked about for the four years I have been in this Chamber. It is a problem I raised in my first speech in this House. How do we get people to invest in this economy, to place their money in businesses in this province?

I want to congratulate the government. I think the government has in fact done something that is an attempt to do that. Now, I would fault them for having done very little, very late, but they are moving.

In the Speech from the Throne they have commented at some length about the things that

they are doing. Under this heading of creating new approaches to economic growth, they have done one thing. They have done actually a couple of things, but I want to concentrate on this question of capital.

We discovered when we looked at the economy in this province sometime ago that one of the biggest problems for a small business who wished to grow was accessing the capital necessary to promote that growth, that they simply were unable to find the investment bankers who were willing to put money here into Manitoba.

One of the things we discovered that investment bankers in Toronto, if they had a choice between placing their money within sight in Mississauga or in Hamilton, were much more likely to do that than to take a risk on an equally interesting investment some 1,100 miles to the west. That has been a serious problem in this province for some time.

One of the things that government has done is create a number of vehicles, the Grow Bond Program, the Vision Capital Fund, the Crocus Investment Fund, they are vehicles that will cause or design to cause capital to stick here and to make it available for local use. I think that is as creative a response as you see anywhere in the world. I think it is a difficult response, because no matter how you do it, the reality is that we are paying more for that money than other businesses in other areas. I am not certain that there is another solution in the short run. I think the government has attempted at least to build an economic and investment base in this province, small, but it is a start. I think the government should be congratulated for doing that.

The third factor of production, if you like, or the third element that one deals with in attempting to build wealth is the question of labour force. The member for Broadway (Mr. Santos) has spoken about that as have other members in the House as I read their speeches. If I understand their argument, and his argument correctly, it is that labour is the central factor of production and without labour you do not have production and therefore we have to at all costs protect labour.

I do not disagree with the sentiment that says that workers who contribute should not be in a master-slave relationship, should have rights, should have an ability to act on their own behalf, but they are one of four factors of production. To focus on one at the expense of the other simply means

you increase the risk, you increase the risk for capital here, capital goes someplace else. We do not have the protections, the safety, the boundaries that we had before and not just because we have signed an agreement with the country to the south of us, but because of changes in transportation and technology and the ability for people as well as money to move very, very quickly.

There is something that we can do and, again, the member for Broadway did speak about that and I think he hit the nail on the head. The one thing that comes out of any of the studies that you read right now on global competitiveness or on economic development, whether it is—I just got sent a copy of the Canada at the Crossroads, the study prepared for the Business Council on National Issues by Mike Porter. There are elements in that that I think reflect an underlying corporate philosophy that is not a Canadian philosophy. I think we need to examine some of the recommendations in that report very carefully. The point that he makes, the point that Robert Reich makes, the point that virtually every economist who is writing today makes, if you want a competitive edge, a true competitive edge, you invest in your people, you increase the skills that they have.

* (1600)

Those are things that you cannot take away. Those are things that you do not lose. Those are things that are attractive to business. Capital is attractive, low cost capital is attractive but a trained labour force is attractive too because we cannot compete anymore. We cannot compete with, well, my friend in Cambodia. My friend in Cambodia—people are working for less than \$200 a year. If a corporation is looking for low-cost labour to manufacture a basic good that does not require a trained labour force, they are not going to come to Manitoba—it does not matter how many councils we make—unless we buy them in, which unfortunately was the strategy used by the former government, and I think it is a strategy that has been widely discredited here and right around the world.

We cannot compete with that, but we can compete on skills. We do have a skilled labour force, and that is an area that I think government can act in, because in Canada we have been relatively generous in our investments in public education and in post-secondary education, and that is why I asked Sharon after the last session if I might be allowed to spend some time as the critic for post-secondary

education. I think that is an area that is vital to the economy in this province and in this country.

It is a very interesting thing that is happening right now. The argument that I get from the government right now is an ideological argument that is based on a very simple model of small government and removing government from activity in the economy. I think that, while there is some value in stepping back from heavy, heavy government direction of the economy, you cannot remove yourself absolutely.

Government sets the framework in which business takes place. In this country at least, with a publicly-funded education sector, government can act. It has an instrument that is both helpful in strengthening the competitive position of this province and is one that it controls directly or it has influence with directly and can invest in directly.

When you look at the question of the current recession—and all of the speculation is that we are going to double-dip now, all the belief is that we are going to sink back again—the question is how do we get out of it, and the belief that simply standing back and allowing the market forces to take us out of it is erroneous. It has simply not proven to be true ever. What has taken us out of deep, deep recessions is heavy investment by some sector of the economy, whether it be a wartime economy or the New Deal, or some form of heavy government intervention that kickstarted the economy, that gave businesses the confidence that things were going to improve.

That is the situation we are in right now, and I think the government is being very short-sighted in this one area. I think that it is right when it criticizes the former government for McJobs and simplistic low value solutions, but I think it has to invest. If that means a one-time increase in the deficit then I think that is something that is going to have to be faced. But the area I would invest in and the recommendation I would make to the government is twofold. I think you have to invest in education. I think you need to think about how we are going to position this province relative to the rest of this country and relative to our neighbour to the south.

It is interesting, in the class I was in on business in government, there were five legislators from Minnesota there, one Senator and four from the Legislature, and they are all looking very hard at how they as a legislative body can do things to improve the competitive position of that state.

Now, it is interesting because they also like Manitoba; they see us as being neighbours and good neighbour. They are interested in working with us to see if there are not ways in which we can become jointly more competitive and attract industry into this region of the country because they see it regionally.

I think we still have some hesitations about that because, when you look at the comparisons between the two systems, we stand to lose something pretty significant that they are only now debating acquiring, and that is the way in which we support our health care system. I shall not go into the statistics on that; they are well known, I believe, to every member of this House.

There is a risk there, although it is interesting when you look at the total mixes of taxes. I have an article, which I am prepared to circulate to members here if you would like, from the paper in St. Paul, where the Canadian businesses which are looking at locating down there are complaining about the serious tax regime and the high taxes which they claim will prevent them from locating in Minneapolis in much the same way that we hear that same cry here.

I think we need to start stepping back from that simplistic kind of argument of high tax versus low tax, of government control versus noncontrol and start to think about it strategically.

What kinds of things can we do to create an environment? The members on the government side at times have said, well, it is our high taxes. Well, if we cut our corporate tax to zero, does anybody believe that would produce a massive influx of businesses? It might help on the margin, but the problem is not as simple as that. It is a much more complex problem that has to do with availability of labour force, of transportation and with the fourth area, which I want to talk about, and that is this whole question of technology. It was interesting, when I came home last week, I had come from a workshop on information infrastructure. What they meant by that was not the creation of new technology, because it assumed that a region had lots of fibre, lots of chips and lots of ability to interconnect and share data.

It talked about, how do we take information now, the intangible commodity that has sat out in so many little government data bases all over the state, in this case, and bring it together to create an information

infrastructure, a depository of all the relevant information in the state in such a way that this would give businesses which wished to set up there an easier time of it? Permitting, licensing, environmental controls and all of those things would become much clearer if you had an integrated system for displaying both the regulatory and the structural framework that underpinned businesses' decisions to locate or citizens' decisions to access their government.

I returned home here the next day to confront an article in the paper that was roundly chastizing the government for having considered doing exactly the same thing with, I think it is, I.D. Engineering. Now, I am going to reserve judgment on the details of that. I am going to I.D. Engineering on Monday to tour the facility and to have a look at it. Certainly, if that is what they are talking about doing, and I believe they are, I think the government and whoever has been working on this project should be congratulated because I think it is a good idea and I think it is something that will give us a competitive advantage.

That leads me to another problem, and it gets down to the kind of debate that we have in here. It was interesting, just flying the other day, I saw an article, I think it was on the back page of TIME magazine, by a Charles Krauthammer (phonetic). He does not perhaps share some the same philosophical underpinnings that I do, but he is one very smart dude, in the words of one of the members of this Chamber. Those are words that I would certainly agree with.

The question he asked in this article was: How have we as politicians gotten into the kind of disrepute that we appear to have gotten ourselves into? There are a number of things. Our Speaker has spoken to us many times about the effects on the public of Question Period, and the sort of image that we display. He also focused in more detail on the things that we do when we consciously undertake to inform the public about significant public issues. How do we do that?

One side says that the other side is no good, incompetent, stupid, incapable of doing anything, and then that side says back to the other side that no, it is really not them, it is the other side. We spend an enormous amount of time trying to prove to the people of this province that we are incompetent and incapable of managing. In this article, he raised the question, he said, well, what would happen if Northwest and Delta Airlines competed by running

ads saying that you would get killed if you went in the other person's airline? Overall air traffic would drop. What would happen if McDonald's and Burger King ran ads saying the other person's burger was fatty and likely to cause heart attacks if you ate them? Overall quality, the overall interest, access, support floor would drop, but that is what we do every day. We do it in our campaigns.

The Americans have taken it to high art, the idea of discrediting, criticizing and calling into question. We saw the disgusting spectacle of the Clarence Thomas hearings recently -(interjection)- Well, now that is a very interesting question. A member of the House raises the question, "What about Louisiana?" where we had—and I believe the member for Concordia (Mr. Doer) in his speech referenced the contest between a crook and a racist. I think we have created that. I mean, there is the famous bumper sticker, Vote for the Crook. I sit back, and I look at that. I laugh, and I say, is that not awful, it is disgusting, and boy, am I ever glad that I do not live in Louisiana.

* (1610)

We are doing exactly the same thing here. We do it in our elections, but we do it every day right here in this Chamber. I guess the question I have to ask when I think about somebody from outside of this place looking at us and thinking about it, somebody who wants to create a business here—oh, let us not pick a real name because then I will be sure to be hung with whatever faults that particular corporation has. If a corporation were to choose to think about coming here, now it would depend on which side spoke to the corporation first, but let us just assume that that corporation then came and spoke to the government, and somehow, word of that conversation got out. Well, we on the other side would feel honour-bound to condemn that corporation or condemn the government for thinking about it, or perhaps they are going to give something.

Now, what is the message that we give out? What is the message we send back to the rest of the world about whether it is a good place? I think it is wrong to see it narrowly in terms of antibusiness because it is just anti.

The same thing happens on the other side. I mean, I chose a business example, but exactly the same thing happens on the other side. As soon as anything comes up with social services or anything

comes up with labour, we feel honour-bound. We do not feel honour-bound, but certain members of the House feel honour-bound, to criticize that, to talk about particularly infamous labour leaders or whatever, but all we do is create a climate in which we, on net, lose.

I do not know how to solve that problem. That is the really tough thing. The member for Concordia (Mr. Doer), in an aside to me when I was here on Friday, commented on the fact that I was at Aylmer, and we were sort of trying to sort out all these issues, and he said, well, it is real easy to identify problems, but it is real hard to identify solutions, and it is true. I shall not go on at great length. I think that is a self-evident fact.

I wonder about one thing. I am not the author of this particular concept, but I wonder if we could not spend at least a little bit of time—frankly, the opposition I think has a legitimate role to call into question the actions of the government. That is why we are here.

I shall not quote Churchill at too much length about, you know, it is a terrible system, but it is the best thing we have, and all of that kind of stuff, but maybe we could, I do not know, set aside a period of time to have a competition of good ideas, to have an argument about what would make this place better, why this province is the best. Would it not be nice to do that for awhile and spend some time thinking substantively about what we can do to tell the rest of this country and this world, because that is who we are competing with, that this is a good place to live and these are nice people to work with, but we better start doing that, because the mathematics that is coming out now is very, very worrisome. The movement of capital, the movement of people, the movement of corporations, the move to globalization are extremely worrisome. When you sit and get into these numbers, it is hard to feel optimistic about what is taking place in this country and in this province.

I think there are reasons to feel optimistic. I think there are enormous strengths here. I live here because I choose to live here. I have lived in three other cities at different times in my life, four now, and I come back here because I like this province. I think we have the resources, and I think we have the people to be strong and to compete internationally, but I think we have to be a little nicer to each other, a little fairer to each other, and I think we have to invest a lot more strongly in ourselves.

The one final thing I want to comment on, I said, again if I can go back—I think actually to every speech I have made in this House on the throne or the budget, I have commented on the problems that we are facing, the fact that the recession was upon us, the fact that four years ago, it was possible to look down the road, as unskilled as I am in these matters, and see that there were some problems that were likely to impact us. I have gone back and sort of reread some of those things, and I am actually fascinated by how many of them have come true.

The government has done one other thing here that I want to comment on, and that is this restructuring of the Manitoba Research Council into the Manitoba Economic Innovation and Technology Council. It has restructured the Department of Industry or is talking about restructuring the Department of Industry, Trade and Tourism, and it has announced a review of university education.

Now, I think that those things have the potential—I mean, these are just labels right now and these are just names, but certainly we need—I said earlier there were two areas that I thought the government should invest in: post-secondary education and to increase our investment in research and development. We have to develop the technological base, and we have to do it strategically, because we are very small, that will allow us to remain competitive.

(Mr. Speaker in the Chair)

Unfortunately what I see in this, four years after the fact, four years after this government came into being, is that they have not acted. They have talked about it, but it is four years and nothing significant has occurred. I think the direction is okay. I frankly am a little worried about the review of university education. I will watch that one very carefully because the experience we have had to date in the last four years with this particular administration in education has been they review at great length, but they do very little. This is not a time for being timid.

I think with that I shall give up the mike. Thank you very much.

Mr. Gerry McAlpine (Sturgeon Creek): I am honoured to rise today before the House to offer my response to the Speech from the Throne.

I would like to begin by welcoming back all the members to this new session. I would also like to extend my best wishes to the pages who are joining

us for the first time this year. I hope this introduction to the legislative process is a good learning experience for you and one that you will enjoy hopefully and remember for a long time.

Mr. Speaker, I would also like to say how pleased I am to see you back as Speaker of this House. I would also like to congratulate my colleague from Seine River as Deputy Speaker. Actually I congratulate both of you, and the best of luck in fulfilling your duties.

The government of Manitoba has been and continues to be faced with difficult times. We have been experiencing the worst recession since the 1930s, a recession that has touched the lives of many Manitobans. Although little consolation, this recession was not made in Manitoba or in Canada. It is a recession that is felt in other parts of our world, a world that is changing dramatically day by day, to say nothing of the changes that have taken place over the last few years or since we have taken office only a short time ago.

* (1620)

I do believe many of these changes are positive. I also believe that for the hardships we have endured we will be better for them. There is a saying I believe wholeheartedly in. I quote: Where strong winds blow, good tempers grow.

As a small businessman I can attest to the hardships of many people and businesses that have been building over the last few years. Now we can see some light at the end of the tunnel. This light will continue to brighten and grow as the continued sound management of this government to keep our spending in control and our will to attract and encourage business to our province remains strong.

These hardships we have experienced, through no fault of our own, in many instances can be looked upon as positive in making us better people and better business people. Mr. Speaker, we have to use this experience in the days and the months ahead that we have gained over the last few years. Faced with static revenues, decreasing federal transfer payments, the need to maintain social programs at a level that meets the needs of a slowly growing economy, our government is going to be faced with the same hard choices that we have had to make in the last year.

However, by making these hard choices we will be able to set the scene for Manitoba to lead the way out of this recession with an economic base that will

be able to sustain and promote growth and employment in our province. The role of government, if such a situation is to occur, is to create an environment for investment and expansion to take place in Manitoba. Government cannot create wealth on its own or spend its way out of a recession as the government in Ontario is failing to do.

The only true generators of wealth in our economy are Manitobans themselves. It is the belief of this government that by helping Manitobans to use their own ideas for local, regional and provincial growth, we will be working in the best way possible to build a strong economy. From our experience with hosting the Grey Cup, the World Curling Championships and the Junior Baseball Championships in Brandon, I believe Manitobans can do it. We just have to start believing in ourselves.

Mr. Speaker, I have said this before, and I have stood on this platform during my election, that we must get back to the basics in this province and country. The free enterprise system built this country to what it is, to be the best in the world. I still believe that this applies in bringing us out of this recession. Manitobans have proven that they can compete nationally and internationally in the marketplace, coming out ahead on many occasions. However, because of the public trough that has been open under the previous administration, people have lost confidence and stopped believing in themselves.

By working today with the people of this province, our government can help the province capitalize on its tremendous potential, not only in resource industries, but also secondary and service industries as well. We should not expect government to do what people can do for themselves.

I believe what our Premier has said to us in that we need less government. People and business must be controlling their own destinies.

Mr. Speaker, again and again in the last year since my election, I have listened to the opposition talk about how we have not been addressing unemployment and job creation and the overall situation of the province during this recession. They want us to spend, spend, spend, but let us take a brief look at the past performance of the previous administration of our province, which at the time was governed by an NDP majority.

The NDP prided themselves on their record of job creation and promotion of jobs in Manitoba through the Jobs Fund, yet the jobs fund invested \$1 million in business that failed between 1983 and 1987, leaving behind unpaid debts, taxes and lawsuits. The NDP also prided themselves on the promotion of the jobs that were based in Manitoba, yet published a picture of a closed Shell Canada refinery on an advertisement that they distributed to homes across the province, a plant that had closed the year previous at a cost of 100 jobs.

I cannot quite understand what motivated the government of that day. Was that their way of creating jobs by closing plants? I guess I will never really understand NDP philosophy but, Mr. Speaker, one thing I have learned since coming to this House is do not waste any time trying to figure them out because I do not think they know themselves sometimes what they are doing.

Mr. Speaker, our government has and will continue to do better. We will do better than the previous administration because we follow a philosophy that is based on people succeeding on their own, not on government overspending and managing irresponsibly.

To protect the taxpayers of Manitoba, we have frozen personal income tax for the fourth consecutive year. This will help the people of Manitoba through the year as we are not taking more money out of their pockets. By keeping taxes down and keeping our spending under control, we are helping to create a climate that is competitive for investment and expansion of businesses.

Combined with this fiscal responsibility that our government has demonstrated, a restructuring of the Department of Industry, Trade and Tourism will be undertaken. This restructuring of the department will have the effect of establishing a more project oriented approach, working with individual firms and groups to create new development opportunities. Mr. Speaker, I am happy to say that I have already arranged for a meeting for this purpose with the young and growing businesses in my constituency with departmental staff.

I am confident that with government and business working in partnership with one another all Manitobans will benefit. I believe by working with businesses already here in Manitoba it will translate into positive messages throughout the entire business world. Businesses talk to one another and

that message will help to attract new businesses to Manitoba. This change in the focus of the Department of Industry, Trade and Tourism will allow the government to concentrate on strategic markets, helping Manitoba businesses capitalize on the strengths of our province. It will also provide our producers and manufacturers with a lasting competitive international advantage as comparative advantages are exploited and developed to the benefit of all Manitobans.

Areas of strategic developments that have been identified as opportunities for Manitoba are the aerospace industry, environmental industries, telecommunications and health industries. Many such businesses are operating within my constituency and provide the benefits of employment and service to the residents of all Winnipeg and Manitoba.

Initiatives, either joint government and industry or private industry alone, will help to foster job creation and investment and support growth that will help to increase our population and tax base, something we have seen very little of over the last 20 years with the socialistic mentality.

Mr. Speaker, our government will also adopt the more co-ordinated approach to fostering development through the Economic Development Board of Cabinet and its supporting structure. This board will combine the efforts of various government departments and business people to arrive at a common goal, the strengthening of our provincial economy.

* (1630)

Our government will also be bringing into play an Industrial Recruitment Initiative to assist in stimulating of expansion of existing business and the attracting of new industries to the province. The businesses that are already here will help us achieve this goal.

In order to invest or expand in Manitoba businesses need a work force that is capable of keeping up with the technical society that we live in today. Of course, the Workforce 2000 initiative is an example of the type of government/industry approaches that will assist Manitoba workers to remain abreast of new technology and be able to compete in today's workplace.

The programming of the community colleges is also being focused more in terms of industry-driven programs that will address skill shortages in certain

fields or industries, such as the aerospace training initiative currently being implemented in the Red River Community College. This initiative will address a field in Manitoba where industry projections show the potential for 3,000 new jobs in the next 10 years. By providing initiatives and support, our government will assist industry in attracting investment and creating job opportunities in Manitoba.

The role of government in this economy is one that is often explored deeply and with great consideration. In Manitoba we believe that there is an important role in the economy, one that is vital, and one that it is played correctly. That role is to foster growth through the creation of the environment and attitudes that can and will support industry and business.

Mr. Speaker, it will be some months yet before Manitoba and Canada reach their pre-recession levels of economic activity. However, our government will continue to spend wisely on Manitoba's priorities of health, education and family services in order to maintain those services that Manitobans need and desire most.

It is often stated that as the farm economy goes, so goes the rest of the economy. With my background of being raised on a farm, I attended the farm rally in Brandon and also the rally on October 9, 1991, on the front lawn of our Legislature in support of their difficult times.

I was proud of the manner in which these Manitobans made their point and I subscribe to their slogan of "No Farms, No Future." I would like to extend my congratulations to these people for their orderly conduct and behaviour during these rallies. As proud as I was of these farmers and our provincial support of them, I was equally sickened by the obvious political tokenism that was shown to them by the Leader of the NDP Audrey McLaughlin and the Leader of the Liberal Party Jean Chretien.

These two individuals were here for their own reason and one reason only. You do not have to be a rocket scientist to figure out the reason for their presence. We only need to ask ourselves how they and their parties voted in the House of Commons when there was a vote on the work-to-rule legislation during the grain handlers strike. It was obvious who these socialist friends are. How can a person stand in front of a group of farmers one day and say they will walk on glass for them and the next

day almost vote against them? What hypocrisy, hypocrisy at its highest.

Mr. Speaker, we have to remember who they voted for when this strike threatened wheat sales and agriculture exports. They voted with the unions. To hell with the livelihood of the farmers. Action speaks louder than words in my books anytime. Then we had the Leader of our own NDP in Manitoba who professed to be speaking on behalf of all Manitobans. Again, his actions speak louder than words. He is a leader that is made and backed by the unions, gained his notoriety as leader of the MGEA and then became Leader of the NDP.

We should note the thousands of dollars given to the NDP from the unions and ask what the unions receive in return. They received the Leader of the NDP (Mr. Doer) and the city members of his party walking the pickets line with them. They received leaders like Daryl Bean who says no man has a right to scab as long as there is a pool of water to drown his carcass in or a rope long enough to hang his body with. How can the NDP profess to speak for all Manitobans when it is the unions that are pulling their strings?

Once again, you do not have to be a rocket scientist to figure out what agenda they are working with. What is good for unions is good for the NDP sounds like an appropriate slogan for an opposition that is led and controlled by a union leader.

Mr. Speaker, during the first and second world wars, Canada was involved in the defence of the democratic process and freedom in the world as it is known today. Manitobans were represented in both wars through divisions such as the Winnipeg Grenadiers who suffered on behalf of all Manitobans. Many of these people paid the ultimate price on behalf of Canadians and people around the world. These people should never be forgotten as they played an important role in the history of Canada and Manitoba.

During our constitutional debates, we should remember these sacrifices. These men and women fought for a united Canada and fought alongside one another. Men and women from Manitoba stood together with those from all provinces across Canada, including men and women from Quebec. They all stood for the same thing. Why can we not follow their lead and unite ourselves in solving this sensitive issue. These men and women were equal on the front lines when they were putting their lives

at risk and protecting each others' positions. Why cannot we take the same positions today?

Mr. Speaker, shortly after being elected, I had the honour of attending the unveiling of the refurbished Cenotaph at Bruce Park in my constituency in September of 1990. This monument is a tribute to the sacrifices and the war veterans and their families, who paid that price.

I also recently had the pleasure of representing our government at a dinner held in honour of the 65th anniversary of the St. James Legion No. 4. Held in honour at this dinner were constituents living in Sturgeon Creek. I am going to name some of these, because I think they represent a good cross-section of all the people who represented this country and stood strong for Manitoba and a freedom and a democracy that we can be proud of today.

They are Albert Gauthier, who is 94 years old; Colin Prince, 94 years of age; Bill Matthews, 95 years of age, lives at Kiwanis Courts in my constituency; Sid Keighley, 97 years of age, lives in his home in my constituency and still attends Legion functions at St. James No. 4; Alf Pritchard, 94 years of age; Paul Hukish, 99 years of age; Ted Grimes, 101 years of age, the latter three all residing in Deer Lodge Centre in my constituency. I would like to pay tribute to these gentlemen at this time.

Mr. Speaker, it is very important that we remember what these veterans fought for, especially with our younger generation, as these events grow dimmer in the minds of those born after the wars. I am very pleased to say that some of the schools in Sturgeon Creek are making sincere efforts to give the true meaning of Remembrance Day the awareness and respect that it deserves.

I congratulate them on their efforts in preserving the knowledge that they are imparting and that, hopefully, the young of our country never have to make these sacrifices again in the name of peace.

I was happy to see the tribute that was paid in the throne speech to the new independence of the Ukraine. Many Manitobans have strong ties to the Ukraine, and I welcome the swift international recognition of the new nation.

I was proud to attend the recent celebration at City Hall, along with the Premier (Mr. Filmon) and other members of this House, to pay tribute to this historic occasion.

* (1640)

As the blue and yellow flag of the Ukraine was raised and their international anthem sung, I thought about the tremendous suffering and pain these people went through during 75 to 80 years of Soviet suppression and realized how the swift changes in the Eastern Bloc in the last two years will benefit its people and the world. This was a proud moment for many, and I am glad that I was able to witness the freedom of so many people.

As our society grows and a larger number of people enter the latter years of life, it will be very important that people live a healthier lifestyle if our social programs are going to be able bear the increased load in the system.

Mr. Speaker, this year our government helped to establish the University of Manitoba Sport and Exercise Research Institute to conduct multidisciplinary research into a wide variety of health, exercise, sport and lifestyle issues.

The information gathered on such issues as aging, obesity and the role of physical activity will be distributed across the province to interested parties. This will contribute to a more informed, active and healthier population.

Our government also established the Manitoba Fitness Directorate to be responsible for fitness programming in Manitoba. This directorate was set up to encourage and promote increased participation and physical activity leading to healthier lifestyles and better personal fitness for Manitobans.

There will be a special emphasis on several identified groups where there is a distinct need to vary activity patterns. These groups range from young children to the disabled, to employees, to the overweight. The change in the activity patterns of these groups will benefit them by allowing and encouraging them to live full and active lives.

The activities of the directorate cover a wide range of activities from leadership development for those of all ages who wish to become fitness leaders to providing nutrition information to leaders and fitness groups, to the delivery of fitness programs. This directorate saw a tremendous first year of activity that will only grow and become stronger, that will only grow and become stronger as more people get involved in participating in the various programs.

I would like to encourage all members of the Legislature to get involved in fitness and inform their

constituents of the benefits of being active and getting fit.

Mr. Speaker, our government has established the area of health as one of its top priorities in the throne speech. Because our government believes a strong sense of community is a valuable resource in the delivery of health care services in Manitoba, our government will be placing more emphasis on community-based care.

Through the integration of such health services as prevention, treatment and support, Manitobans will have more opportunities to choose lower-cost but equally effective health care in the communities where they live and work.

This is an example of how our government is caring for people through the effective delivery of services.

By working with health care officials, our government will establish a provincial plan for the delivery of services in a manner that is balanced between the prevention, treatment and support services.

It is interesting to make the reference of balance. There is a lot that can be said about the word "balance," because when we are out of balance our systems get out of balance and we become sick. We must think about this for a moment. When we consider balance we have harmony, and when we have harmony we do not have discord.

Some of the priority areas for action that have been identified in health care are cancer, cardiovascular disease, child health, mental health and substance abuse. By working in a co-ordinated manner all Manitobans will benefit through advances in technology and reduced costs. Reduced costs will come through awareness and understanding of people as they become more familiar with health in a more holistic form. Society today faces attitudinal changes necessary to create health, and we must look on our bodies in the whole rather than focusing on symptoms and the treating of disease.

Mr. Speaker, I could tell you of many instances of people who have successfully subscribed to alternative forms of therapy in treating disease such as cancer, cardiovascular disease, immunal diseases, along with the common cold and flus, including the recent Beijing Flu that is reported to have reached epidemic concerns. These people experienced success because they took

responsibility in looking after their level of health other than the traditional form of therapy which had failed them and turned a hopeless situation into a positive one. To tell you of these many experiences would take a lot longer than the 40 minutes I am allowed.

However, one of the successes involved my own sister with a terminal illness who, over a month ago, only had a week to 10 days to live. I am pleased to say, not only does my sister live today, she lives at home with considerable independence.

It is this kind of responsibility we, as people, must look at with respect to health, because if we do not start taking responsibility as individuals we will not be able to continue to pay the services that we have enjoyed for the past years.

Mr. Speaker, this last year I also attended the sod-turning ceremony at the Grace Hospital. In an expansion that will see \$41.9 million committed by our government, the Salvation Army Grace Hospital will focus on increased outpatient service with the addition of two new operating rooms and a surgical day care department. This expansion will also see space created for a new emergency department, laboratory and new chemotherapy departments, and the renovation and expansion of most of the diagnostic and services departments on the ground and main floors.

I look forward to the completion of this project and the continued high level of patient care provided by the Grace Hospital and its staff.

At this time I would also like to extend my thanks to the Minister of Health, the Honourable Don Orchard, for accompanying me on a tour of the St. James Kiwanis Courts seniors residence. The staff residents and the board of directors were all very pleased to have this chance to sit down and talk to the minister in person. We received a very positive response from the people of the residents. Obviously, the ministers of our government are not afraid to sit down and listen to the people of Manitoba to whom they are ultimately responsible.

I would also like to extend my thanks to Heather Ritchie, the staff co-ordinator at the Kiwanis Courts, and her staff for opening the opportunity to attend and visit with these residents.

I believe that as the elected member for Sturgeon Creek I must offer my regrets, and I share in the disappointment of many over the loss of the Rotary Pines project. Mr. Speaker, 104 men and women

had already committed by way of deposits to live in the seniors housing project. That worked out to 90 percent of the available units for a project that was not even built yet. This showed the need for such a housing project in the area, a project that was good for the area, one that would have injected \$7.4 million of investment into the Sturgeon Creek area and, in spite of what the opposition was saying, would have had no effect whatsoever on the operation of our airport, which I am very sensitive about.

* (1650)

I regret the inconvenience the failing of that project has caused these many seniors and the members of the Rotary who had committed so many volunteer hours. Their wounds are understandably deep, and I feel very sorry for that. These people not only suffered when the project failed, they were ostracized by the people who opposed the project to the point that many people did not sign up for the project because of what the opposition did in making this project look bad. The inaccuracies and the half truths that were given by the opponents of this project and published to create further confusion were strong enough to sink a battleship.

Mr. Speaker, it is sad that there are members in the House who are more concerned in making a few political points for themselves and their parties regardless of the expense of the people of Manitoba whom we are supposed to be serving. I must say to these people that their day of reckoning is coming; sooner or later they will be judged. It is ironic though for those of us who are Christians that as we enter the Christmas season in which Christ, who died for our sins, was born in a stable because there was no room in the inn, there will be no room for the seniors to spend their golden years in the comfort of the Rotary Pines project.

(Mr. Marcel Laurendeau, Acting Speaker, in the Chair)

In closing, Mr. Acting Speaker, I would like to thank the hard working efforts of so many people with the developers, the Rotary and the community-minded people who supported this project. What you have been dealt has been unjust, unfair and inhumane. May you be given the peace and the strength to rise again to create good for not only Sturgeon Creek, but for all Manitobans.

It is the people such as these working together that will pull Manitoba out of the recession and lead

us down the road to recovery. People is what this province is about, people helping each other and helping themselves through good times and bad. The people of this province realize that our government has to make some difficult choices in these difficult times in order to lay the foundation for a stronger Manitoba, and the people support our actions. Together we will build a stronger Manitoba, and together we will grow. Thank you.

Mr. Leonard Evans (Brandon East): Mr. Acting Speaker, I wanted to go on record as sending my congratulations to the Speaker for his continuing efforts to preside over this august body and his associates, his acting assistants, because it is a very difficult job at any time. Of course, from time to time, it gets very, very heated in here, particularly in points of order and sometimes in the Question Period and whatever. Nevertheless, I want to congratulate the Speaker for a job well done, and he is carrying on a very difficult task.

Of course, this is a very unusual session we are in, in a sense. I do not recall us having a mini session like this. We have had special short sessions in the past for specific reasons. This time, it is one that comes just before Christmas. I, for one, welcome the session. I certainly do not find it any inconvenience to have it broken up the way it is.

I look forward, nevertheless, when this session is over, after a brief break, to another full session of the Legislature, where we are going to get into probably the meat of what the House is about or one very important thing of what this Legislature is all about, and that is the spending Estimates, because what the public does not appreciate, they see the Question Period, they see the to and fro that goes on during the Question Period, but they do not see the nitty gritty, line-by-line, point-by-point questioning and answering that goes on in Estimates. That is very, very critical because that is one of our key functions.

I guess our key function is to pass laws, but just as important, Mr. Acting Speaker, our function is to ensure that money is being well spent and that the government is accountable to all the representatives in the Legislature with respect to their spending plans, whether they are spending too little or too much or whatever, or whether it is in the right area.

I have two areas that I would like to spend some time in discussing, both of which are very

fundamental issues in Canada today and certainly in our province. One is the Constitution and all the difficulties that are surrounding the debate on the proposed revision of the Canadian Constitution, and the other deals with the economy. Both of these are very important. I would put the economy as probably the No. 1—well, not probably, I would definitely put our economic situation as the No. 1 problem today.

We have a twofold problem in Manitoba with regard to the economy. One is cyclical and the other is long term. One is dealing with the recession that we have to contend with, and the other deals with the structural problems that this economy is facing in Manitoba, where we see, unfortunately, an erosion of our industrial base, where we see declines occurring in basic sectors of our economy, transportation, finance services and various other areas where we seem to have diminished in this province, and this is regrettable.

First, I would like to spend a bit of time sharing some thoughts with you about the Constitution and what is being proposed by the federal government in its document called *Shaping Canada's Future Together*. There are some interesting proposals in that particular document, but there are a lot of them that I cannot agree with and I would trust many members of this Legislature cannot agree with.

One thing I was very pleased with, though, is that we did have an all-party task force that did go around and listen to the people of Manitoba, and I guess they got the message loud and clear from all the groups that they met with, whether they be women's groups, teachers' groups, farmers, labour groups or just individual, concerned citizens. There was a thread running throughout the representation, and that was that we need in Canada a strong central government if for no other reason to ensure that we have national shared-cost programs, whether it be medicare, or whether it be other social programs that we have in this country.

We believe, and I am saying we, the people of Manitoba believe that we need a strong federal government with spending powers shared with the provinces for these basic programs, and we in Canada have become accustomed—it is part of our way of life, our quality of life that has been achieved through a parliamentary system pursuing principles of democracy, acting in a democratic way and bringing about these very important institutions whereby we have fair access to health care, education, and generally access to social services.

We are concerned about the opting out of the new Canada-wide shared-cost programs, which is suggested in this new document *Shaping Canada's Future Together*. We believe—I am speaking for the New Democratic Party and I am speaking for a lot of the groups in Manitoba, a lot of individuals in Manitoba—that there seems to be an intent on the part of the federal government to entrench a business agenda in the Constitution that will secure the interests of the private business sector but limit the ability of government to fulfill the democratic voice of its citizens as that arises in the future.

* (1700)

We certainly are concerned about the proposal that provinces could opt out of new Canada-wide shared-cost programs. There is one section, I believe it is Section 27, which in particular could have some very negative implications. The fact is, Mr. Acting Speaker, you can have laws that promote one interest or another. You can have laws that perhaps enhance business development, or you can have laws that have some bearing on how our economy operates, but those laws can be changed. They can be struck down, they can be amended, they can be rewritten. If you have agreements, you can negotiate them, you can challenge them, you can renegotiate them, but once you have them in a constitution, you have them there virtually forever, and that is not the way to go.

Specifically, I might say that Section 27 of the document *Shaping Canada's Future Together* is entitled "The Exercise of the Federal Spending Power in Areas of Exclusive Provincial Jurisdiction."

I would just read this section verbatim because this is the section which gives us a lot of concern, and quote:

"The Government of Canada commits itself not to introduce new Canada-wide shared-cost programs and conditional transfers in areas of exclusive provincial jurisdiction without the approval of at least seven provinces representing 50 percent of the population. This undertaking would be entrenched in the Constitution. The constitutional amendment would also provide for reasonable compensation to nonparticipating provinces which would establish their own programs meeting the objectives of the new Canada-wide program."

Well, there are a lot of concerns, Mr. Acting Speaker, that we have with that Section 27, and particularly as they say because of the potential

negative impact of the opting-out provision for new Canada-wide shared-cost programs.

We believe that at the present time the universal social programs that we have in this country are at risk. It could be that we are seeing the end of universality, and I would submit that this would go against the wishes of the bulk of the Canadian people who do believe in the fundamental concept. It is fundamental to Canadians that we have universal programs. Canadians value universal programs highly.

There is another specific concern. In that reference to opting out, there is no mention of standards in Section 27 which provide for the quality of national cost-shared programs, and which serve as a unifying force for all Canadians. This could mean that poorer provinces will not be able to afford to establish programs formerly national in scope.

You might find Ottawa at some future time establishing regional programs in place of national ones. The system would then become competitive, but no assurance of equal benefits to the various regions, and I think that is a backward step.

Also, Mr. Acting Speaker, we believe that there is a danger that Canadians could lose their mobility to move from one province to another, and that is something we should all cherish, the ability to move freely in a democratic society in Canada, a large country from sea to sea to sea. We do have mobility, but with Section 27, it has a negative implication, we could lose some of the mobility. Families we believe will suffer because of this loss of mobility, and Canada's unity of place will suffer as well.

If you are talking about ability to negotiate new programs, it would seem to us that it will take years and years to negotiate the approval of seven provinces representing 50 percent of the population to introduce new social programs in the future. Therefore, for that reason also, we are concerned about Section 27.

We do not want to see placed in the Constitution anything which ties the hands of future governments in this respect. No one knows for certain what needs or expectations of Canadians will be, 10, 20, 50 years in the future. For example, Canadians have spoken for a national child care act now, but these proposals as contained in Section 27 will make this virtually impossible.

Going on then, there is another section in this document submitted by the federal government for

discussion in the land. That is the document called *Shaping Canada's Future Together*, and that is the suggestion of the Council of the Federation.

Again, we are very concerned about this, because the council will not be easily accessible to the general public and could be an all-powerful body nevertheless. Both the Spicer Commission and our own Manitoba Constitutional Task Force concluded that Canadians wanted a strong central government. Instead we get a council of federation, which we think is not in keeping with that objective.

We say, Mr. Acting Speaker, in respect to the Council of the Federation, the government of Canada is not listening to Canadians. Because it involves a nonelected process of appointments by Premiers, the council will be able to override provincial laws and will greatly increase the power of provincial Premiers. The Premiers may be able to change representation depending on the issues before the council.

We are not clear—it is not clear to those who have read the document how long the appointments are for. Yet the appointments, it seems, will have the power to block legislation passed by Parliament.

New social legislation, for example, passed by Parliament will go to the council of the federation before it goes on to the Senate. If blocked, it will not proceed. Therefore, greater power could be placed on the council than in the Senate.

Also, as I indicated a little earlier, the council will not be available to the public because of no permanent staff, because the meetings will rotate and there will be changing representation. It will be like punching pillows to get at it for public representation. It will not be publicly visible. We think the council will be more productive in terms of intergovernmental relations but rather for perhaps multinational corporations, not for the public of Canada. Certainly the council will be less confrontational in intergovernmental relations. On the other side of the coin, it is another way of saying, well, it is less democratic.

The other point I want to touch on in this document is the reference to economic union. We think the suggestion of an economic union and the fiscal harmonizing that has become a top priority again is a backward step.

The proposed economic union in reality is a business agenda item that could have a devastating effect on future social programs. What it does is give

a massive transfer of power from government at all levels to those powers in the marketplace. We suggest that the ensuing free flow of capital that they talk about will concentrate in the larger urban centres or move out of the country leaving even greater regional disparity.

We find we can predict that poverty will deepen in some areas, and we know areas such as the Maritimes, but not only the Maritimes but eastern Quebec for instance, where there is very slow economic growth, where it is very underdeveloped and where you get a great deal of poverty.

At any rate, Mr. Acting Speaker, we note that the business council—business as represented by the Business Council on National Issues has stated social programs such as health care, housing, education, social security are a luxury in Canada and we cannot afford them because we have to compete in the new world marketplace. These statements do not stand up to examination. For example, 4 percent of the federal budget, only 4 percent, is spent on medicare. This does not cause the deficit in Ottawa, Mr. Acting Speaker. As well, Canada's social spending is 21.5 percent of the GNP. It is very close to that of the United States which is 20.8 percent.

Both countries spend less than the 25.6 percent spent on average by all industrialized countries in the OECD, that is, the Organization of Economic Cooperation and Development, whereas you get countries like Belgium that spent 37.6 percent, Netherlands at 36.1 percent, West Germany at 31.5 percent and France at 29.5 percent. They spend more for their social safety net, and they are nevertheless very strong, excellent competitors in the world marketplace.

We reject entirely the notion that more spending on social programs undermines our ability to compete in the world marketplace, because now we are underspending a great number of those countries that are doing very well. What I am suggesting, Mr. Acting Speaker, is that we should look to Europe in many ways for leadership in social programming and, indeed, in economic development.

* (1710)

There is a book called *The Quick and the Dead* by Linda McQuaig, and there is a quote there which says it best, I believe, and I am quoting: European countries have built very specific safeguards into

their trading agreements to prevent just the sort of race to the bottom and ever lower standards for working people. These safeguards ensure the preservation of labour and social standards already far higher in Europe than North America to prevent footloose capital from doing the kind of shopping for the country with the lowest standards that we are seeing develop in the North American market.

In other words, Mr. Acting Speaker, we cannot conclude that strong social programs are the reason for Canada not being able to compete in the global marketplace. I say Canada must never place any so-called economic vision or economic union in the Constitution.

The federal government and all of us at the provincial level as well should be listening to Canadians. Canadians want to strengthen the federal state. They want to strengthen Canada. They want to preserve the mandate for universal, accessible social shared-cost programs.

I believe that, ultimately related to that, Canadians by and large, including Manitobans, would want the federal government to retain residual powers rather than transfer them away. They want to retain the present mandate of the Bank of Canada Act for the public good. We believe it is totally insane to somehow put in the Constitution that the Bank of Canada should only have a mandate to achieve and preserve price stability.

What it does is takes away its responsibility and its ability to fight recession, or to taking away other responsibilities it has to support any federal government in the future in terms of dealing with the economy. It is just totally unacceptable to have the present mandate of the Bank of Canada as expressed in the Bank of Canada Act changed in such a way as to narrow the focus. So, as I said, we do not agree that the proposed new economic union in any way, shape or form has a place in a Canadian Constitution.

Mr. Acting Speaker, I say that these are concerns, I believe, that most Manitobans have expressed, not all but most. I believe most Canadians feel in this respect as well. We could go on in more detail about this, but I just want to say in closing, about the Constitution, that I sometimes wonder why we are engaged in a constitutional debate anyway.

I think Mr. Mulroney is going to have to take the credit or the blame, whichever, for bringing it up a few years ago when things seemed to be fairly quiet

in Quebec in terms of its place in Canada. Yes, Quebec had not signed the document from—what is it?—1981 or '82 and theoretically was not included in the Constitution, but that really did not mean anything because Quebec and Canada carried on as usual in terms of spending, in terms of collecting taxes, in terms of working together as one Canada.

I believe that the actions of Mr. Mulroney caused the people of Quebec to become again concerned about their plights, and again, that caused this furor which finally led to Meech Lake and all the fallout that occurred from Meech Lake. A very important debate, of course, occurred in this Legislature. I am proud of the fact that certain people in the Legislature and then finally this entire Legislature stopped the Meech Lake Accord, because I believe it was a disaster. It would have been disaster for this country.

What I am concerned about, Mr. Acting Speaker, however, is that Meech Lake 2 is coming down the track and going to hit us square between the eyes. I believe that Meech Lake 2 is not wanted by the Canadian and Manitoban people either. The fact is that Premiers who had agreed to Meech Lake 1 were not representing the wishes of their people. I think Mr. Peterson, former Premier of Ontario, found that out in the last election. I think some other Premiers eventually found that out as well, including Mr. Vander Zalm, former Premier of British Columbia.

There is no question that so-called national unity debates are divisive. If there is anything that will tear this country apart, it is a debate on national unity. That is exactly what we do not need. Frankly, speaking as one individual, I wish we would leave the Constitution alone. Frankly, Constitutions are documents that should be very seldom changed, but we seem to be afflicted with a disease whereby we are looking at our constitutional label year after year after year.

(Mr. Speaker in the Chair)

Canadians are sick and tired of looking at the Constitution, and I think most Canadians would rather leave it alone and let us carry on the way we are. What is wrong with the way it is? Frankly, Canadians, too, have come to the conclusion that the No. 1 problem is the economy, especially the vast amount of unemployment that we have in this country, the skyrocketing welfare and generally the

business failures that we see, the economic decline we see across the country. This is what Canadians are concerned with, not the Constitution.

I say, for one, that it is regrettable that we seem to be so overly absorbed at the federal level and involving some provinces with this particular notion, so I, for one, I want to say this categorically, have not changed my position. I was against the Meech Lake Accord, and anything that comes along that smacks of that same accord will not sit well with myself, and I speak as an individual in this matter and as, I think, we will all be speaking as individuals, but nevertheless, I think there will be a great deal of agreement on this matter. As I said earlier, I am very much pleased with the fact that we had an all-party task force which did listen to the people and which did present a constructive recommendation to the federal government.

Having said that, it did not address all the questions in the federal document entitled *Shaping Canada's Future Together*, but that was not the mandate of the task force. The mandate of the task force was to listen to Manitobans and to present Manitoban views to the federal government and to anyone else who wanted to listen.

Mr. Speaker, I would like to go on in my remaining time to talk about the economy, because, as I said, our economic problems have to take priority over any other problems that we are facing in this country and indeed in the province of Manitoba.

I know members opposite do not like to hear about the economic factors. I know the Minister of Finance (Mr. Manness) and the Premier (Mr. Filmon), from time to time, try to drag out figures to put the best face on it, but for any one little glimmer of positive signs that the Minister of Finance or the Premier can find in their books on statistics I can assure you there are 10, 20, 30 times the number of statistics that show that Manitoba is suffering the worst recession it has experienced since the Dirty Thirties, the Great Depression of the 1930s.

I believe it is worse now than we experienced in 1982-83 and I also believe, contrary to what the Minister of Finance and the Premier are alluding, that we are not about to get out of the recession. Whether we like it or not the recession has stayed with us. We have not left it behind. Indeed there are economists now who are predicting that the recession will go on well into late 1992.

* (1720)

The Royal Bank of Canada—not necessarily an institution of radicalism or whatever—has come out stating very recently that the Canadian economy continues to flounder and the recession could go on for a great deal of time. The recession will simply not go away. This is a recent report forecast of the Royal Bank of Canada dated November 22. It came to me very recently. They refer to the stall economic recovery that occurred in the third quarter of this year. Because there is, according to the information from Stats Canada, a stalling, there is no sign that we will quickly get out of the recession.

They note with alarm an abrupt slowdown in output growth from what we had registered earlier in 1991. They also note that, even in terms of job creation, in terms of employment, that the rate slowed down drastically in the third quarter compared to the second quarter.

Even in the United States, Mr. Speaker, economists are looking at what is happening in that country. Unemployment is not going away. There are signs of weakness in the American economy. Even General Motors is under a credit watch by one of the financial institutions. Now Mr. Bush, who has a worse financial situation, has a greater relative debt than the Canadian government, is now talking about taking measures to fight unemployment. He is talking about tax cuts. He is talking about new programs. They are talking about making sure that the Federal Reserve Bank—or are expressing a hope that the Federal Reserve Bank will continue to carry on with a policy that will keep interest rates lower and perhaps even drive them down further.

By contrast, in our country, our Minister of Finance, Mr. Mazankowski, seems to want to look at the situation through rose-coloured glasses. He does not seem to think that the recession is going to last very long. Furthermore, he does not think he and his colleagues in the federal government can do anything about it.

Mr. Speaker, I would accuse the federal government of virtually ignoring the plight of Canadians in terms of our economic disaster that we are experiencing right now. The fact is that we have an intolerable number of people out of work in this country, we have an intolerable number of people on welfare. The federal government, which has the capacity to deal with this far more than any single province, is virtually doing nothing, absolutely nothing to fight the recession. That, I believe,

economic historians will point to as one of the main failings of the Mulroney government.

God knows, there are many failings of the Mulroney government, but this has got to be the latest, this has got to be another one, the fact that the Mulroney government, the federal government which has the ability, which has the Bank of Canada which controls monetary policy, is not doing anything to fight the recession.

There should be all kinds of programs. There could be all kinds of programs. I think back to a previous very well-known Conservative Prime Minister in this country by the name of John Diefenbaker, in the late 1950s when we had a serious depression in this country I remember full well that that Conservative Premier decided, along with his colleagues in government, that they had to fight the recession.

One thing they engaged in was a massive housing program through CMHC, a massive housing program making housing more available to Canadians. And you know what, Mr. Speaker? It worked. That program stimulated all kinds of jobs, thousands of jobs in this country. It stimulated construction, and residential construction has a very excellent positive spinoff. There is an excellent multiplier effect on the whole economy from that.

I say it is regrettable that now we have in office neo-Conservatives who have the view that markets will resolve all things, leave the market alone; we cannot do anything; let us sit back and watch. This is a folly. This is a wrong attitude and we are suffering for it. I regret that our own Finance minister has not gone to Ottawa and put his shoulder to the wheel along with, hopefully, some of the NDP Premiers from Ontario and Saskatchewan and British Columbia and urged the federal government to get on with it, to get on with an anti-recession program that has got to be the No. 1 priority in this country.

I would hope that our Minister of Finance (Mr. Manness) will not be spending his time on matters such as costing of social programs and cutting funding of social programs.

Mr. Speaker, when I say we have a serious economic situation, I am saying that all you have to do is to look at just a handful of economic statistics to find what I am talking about. The retail trade sector alone—just take the retail trade sector alone. Not only is retail trade down this year over last year, if

you take the latest information available and you look at November, you find the number of people working in the retail trade sector is down by 9 percent.

This is a loss of about 5,000 jobs in that one sector alone, and only recently we received information of further stores closing. Retail sales are down, and I would like to know why are we doing so badly in this province. Mr. Speaker, that one sector alone should cause us a great deal of concern. It is reflected in the Minister of Finance's (Mr. Manness) statements on taxation revenue. Taxation revenue from the retail sector is down considerably.

If you look at unemployment insurance, Mr. Speaker, we had the unenviable record in September, which is the latest information we have, to be the second highest in Canada in terms of increasing unemployment insurance payments. The reason for that is because we have an enormous amount of unemployment. Then, of course, we have the phenomenon of the City of Winnipeg, which is our largest labour market, reporting a 53 percent increase in municipal welfare payments this year over last year. The reason for that is unemployment. People have fallen off of unemployment insurance, and they go back finally, with a lot of reluctance, I am sure, onto the welfare rolls.

As a result, we have in this province a totally unacceptable level of unemployment, a totally unacceptable situation, where people are on unemployment insurance and just too many thousands of people on welfare who would rather be working and who, I say again, should be provided with an opportunity to work, to be productive, to add to the goods and services for the benefit of all rather than sitting idly, simply collecting welfare. -(interjection)- Well, these people can be given options to work, as we did through the Manitoba Jobs Fund.

As a matter of fact, when I was minister responsible for welfare, I met with the Honourable Jake Epp in Ottawa with all the 10 provincial ministers concerned with welfare, and we got agreement from Jake Epp and the federal government to dedicate several millions of dollars from welfare to job-training programs. We put those job-training programs into place. We had a list. We set up a department to deal with that, of Employment Services and Economic Security. We knew who were on welfare, and we had the money for the job

programs. We took those people; we gave them a chance. We did not do it by giving them government jobs. We gave grants to the private sector, to small business, to nonprofit groups.

People had meaningful work. They had work experience. They were off welfare. They were earning, maybe not much, maybe only the minimum wage or slightly above, but, nevertheless, they were working. They were doing something in a small manufacturing plant, or they were doing something in a retail store, or whatever. I say, Mr. Speaker, it is time that we explore that again, that we can do that again. We can take those monies and use them in a way that creates jobs, which is far better for the individual, I think we all agree. It is dehumanizing not be able to work and not to find a job. It is something that is good for the individual, and it is good for society, so I say, this government has to get on with it. This government has to get on with it and institute a level as we did—

Mr. Speaker: Order, please. Pursuant to Rule 35.(2), I am interrupting proceedings in order to put the question on the motion of the honourable member for River Heights (Mrs. Carstairs). That is a subamendment to the motion for an address in reply to the Speech from the Throne.

Therefore, I move, seconded by the member for Crescentwood (Mr. Carr), that the motion to amend the Speech from the Throne be amended by adding, thereto, the following words:

And this House further regrets that:

1. this government's inaction in providing a sound economic climate and employment opportunities is resulting in unprecedented levels of Manitobans joining the unemployment and welfare rolls;
2. this government has failed to proceed in good faith to settle land claims as was recommended in the aboriginal justice report;
3. this government is doing nothing to stop the erosion of our education system and is offloading the tax burden for education onto the property taxpayer;
4. this government is eroding our health services by focusing on cutbacks rather than on reforms like community health care, day surgery and preventative health measures;

5. this government is eroding our social services by ignoring community concerns and by unilaterally changing funding formulas and delivery mechanisms without consulting members of the community; and
6. this government's environmental strategy has been long on rhetoric and short on concrete measures like ensuring that existing regulations are being followed.

Therefore, this government has lost the confidence of this House.

Is it the pleasure of the House to adopt the motion?

Some Honourable Members: No.

Mr. Speaker: All those in favour of the motion, please say yea.

Some Honourable Members: Yea.

Mr. Speaker: All those opposed, please say nay.

Some Honourable Members: Nay.

Mr. Speaker: In my opinion, the Nays have it.

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, Yeas and Nays, please.

* (1730)

Mr. Speaker: Call in the members.

The question before the House is on the motion of the honourable member for River Heights (Mrs. Carstairs), that is, a subamendment to the motion for an address and reply to the Speech from the Throne.

A STANDING VOTE was taken, the result being as follows:

Yeas

Alcock, Ashton, Barrett, Carr, Carstairs, Cerilli, Cheema, Chomiak, Dewar, Doer, Edwards, Evans (Brandon East), Evans (Interlake), Friesen, Gaudry, Harper, Hickes, Lamoureux, Lathlin, Maloway, Martindale, Reid, Santos, Storie, Wasylycia-Leis, Wowchuk.

Nays

Connery, Cummings, Dacquay, Derkach, Downey, Driedger, Ducharme, Enns, Ernst, Filmon, Findlay, Gilleshammer, Helwer, Laurendeau, McAlpine, McCrae, McIntosh, Mitchelson, Neufeld, Orchard, Penner, Praznik, Reimer, Render, Rose, Stefanson, Sveinson, Vodrey.

Mr. Clerk (William Remnant): Yeas 26, Nays 28

Mr. Speaker: I declare the motion lost.

Is it the will of the House to call it six o'clock?

Agreed.

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

Legislative Assembly of Manitoba

Thursday, December 12, 1991

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