



Fifth Session - Thirty-Fifth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

(Hansard)

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

Members, Constituencies and Political Affiliation

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 27, 1994

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Curran Contract Cancellation and Pharmacare and Home Care Reinstatement

Mr. Clif Evans (Interlake): Mr. Speaker, I beg to present the petition of L.M. Emberley, R.H. Comeault, T.W.D. Combe and others requesting the Legislative Assembly of Manitoba urge the Premier (Mr. Filmon) to personally step in and order the cancellation of the Connie Curran contract and consider cancelling the recent cuts to the Pharmacare and Home Care programs.

Ms. Becky Barrett (Wellington): Mr. Speaker, I beg to present the petition of Al Moreau, J.H.T. Clarke, Mark Anderson and others requesting the Legislative Assembly of Manitoba urge the Premier to personally step in and order the cancellation of the Connie Curran contract and consider cancelling the recent cuts to the Pharmacare and Home Care programs.

APM Incorporated Remuneration and Pharmacare and Home Care Reinstatement

Mr. George Hickes (Point Douglas): Mr. Speaker, I beg to present the petition of Barry Hammond, Scott Kroeker, Harold Shuster and others requesting the Legislative Assembly of Manitoba urge the Premier to personally step in and order the repayment of the \$4 million paid to Connie Curran and her firm APM Incorporated and consider cancelling the recent cuts to the Pharmacare and Home Car programs.

TABLING OF REPORTS

Hon. Darren Praznik (Minister charged with the administration of The Communities Economic Development Fund Act): Mr.

Speaker, I would like to table today the Third Quarter Report, December 1993, for the Communities Economic Development Fund.

Hon. James Downey (Minister of Industry, Trade and Tourism): Mr. Speaker, I am pleased to table three reports: the Annual Report 1992-93 of the Manitoba Horse Racing Commission; the Annual Report 1992-93 of The Cooperative Loans and Loans Guarantee Board; the Annual Report 1992-93 of The Cooperative Promotion Board.

Hon. Albert Driedger (Minister of Natural Resources): Mr. Speaker, I would like to table the Annual Report for the Department of Natural Resources for the year 1992-93.

I would also like to table the Five-year Report to the Legislature on Wildlife.

Hon. Eric Stefanson (Minister of Finance): Mr. Speaker, I, too, would like to table three reports: the Quarterly Financial statements for the Three Months April-June, 1993; Six Months April-September, 1993; and Nine Months April-December, 1993.

Hon. Glen Findlay (Minister responsible for the administration of The Manitoba Telephone Act): Mr. Speaker, I would like to table the 1993 Annual Report of the Manitoba Telephone System.

Hon. Clayton Manness (Minister of Education and Training): Mr. Speaker, I, too, would like to table a Letter of Agreement between the Province of Manitoba, the Department of Education and Training and Dr. Beth Cruikshank.

* (1335)

INTRODUCTION OF BILLS

Bill 2—The Prescription Drugs Cost Assistance Amendment and Pharmaceutical Amendment Act

Hon. James McCrae (Minister of Health): Mr. Speaker, I move, seconded by the honourable Minister of Industry, Trade and Tourism (Mr.

Downey), that leave be given to introduce Bill 2, The Prescription Drugs Cost Assistance Amendment and Pharmaceutical Amendment Act (Loi modifiant la Loi sur l'aide à l'achat de médicaments sur ordonnance et la Loi sur les pharmacies), and that the same be now received and read a first time.

Motion agreed to.

Bill 4—The Energy and Consequential Amendments Act

Hon. Donald Orchard (Minister of Energy and Mines): Mr. Speaker, I move, seconded by the Minister of Education (Mr. Manness), that leave be given to introduce Bill 4, The Energy and Consequential Amendments Act; Loi sur l'énergie et apportant des modifications corrélatives, and that the same be now received and read a first time.

I am pleased to inform that His Honour the Lieutenant-Governor, having been advised of the contents of the bill, recommends it to the House.

Motion agreed to.

Mr. Speaker: The honourable minister has also tabled the recommendation.

Bill 5—The Highway Traffic Amendment and Consequential Amendments Act

Hon. Glen Findlay (Minister of Highways and Transportation): Mr. Speaker, I would like to move, seconded by the Minister of Rural Development (Mr. Derkach), that leave be given to introduce Bill 5, The Highway Traffic Amendment and Consequential Amendments Act (Loi modifiant le Code de la route et apportant des modifications corrélatives), and that the same be now received and read a first time.

Motion agreed to.

Bill 7—The Crown Lands Amendment Act

Hon. Albert Driedger (Minister of Natural Resources): Mr. Speaker, I move, seconded by the Minister of Agriculture (Mr. Enns), that leave be given to introduce Bill 7, The Crown Lands Amendment Act (Loi modifiant la Loi sur les terres domaniales), and that the same be now received and read a first time.

Motion agreed to.

Bill 8—The Fisheries Amendment Act

Hon. Albert Driedger (Minister of Natural Resources): Mr. Speaker, I move, seconded by the Minister of Agriculture (Mr. Enns), that leave be given to introduce Bill 8, The Fisheries Amendment Act (Loi modifiant la Loi sur la pêche), and that the same be now received and read a first time.

Motion agreed to.

Bill 9—The Convention Centre Corporation Amendment Act

Hon. James Downey (Minister of Industry, Trade and Tourism): Mr. Speaker, I move, seconded by the Minister of Health (Mr. McCrae), that leave be given to introduce Bill 9, The Convention Centre Corporation Amendment Act (Loi modifiant la Loi sur la Corporation du Centre des congrès), and that the same be now received and read a first time.

His Honour the Lieutenant-Governor, having been advised of the contents of this bill, recommends it to the House. I would like to table the message.

Motion agreed to.

* (1340)

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 Red River Community College 25 journalism students under the direction of their instructor, Mr. Donald Benham.

Also this afternoon, from the Sargent Park School, we have eighty-five Grade 9 students under the direction of Mr. Bob Forrester. This school is located in the constituency of the honourable member for Wellington (Ms. Barrett).

Also, from the John Henderson Junior High School, we have fifty-seven Grade 9 students under the direction of Mrs. Manuella Vieira. This school is located in the constituency of the honourable member for Elmwood (Mr. Maloway).

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

ORAL QUESTION PERIOD

Health Care System Private Laboratory Services

Mr. Dave Chomiak (Kildonan): Mr. Speaker, the government of Manitoba has cut beds, laid off nurses, cut people off home care, charged user fees for walkers, crutches, equipment, and patients in Manitoba are suffering.

One of the many reports sitting on the minister's desk states that millions of dollars, in fact \$30 million per year is going to private profit-making labs.

I quote from the government report which states: Private labs have an adverse effect by an inordinate consumption of health dollars.

Further on, the report says: Private labs are, quote, skimming the cream of tests.

Mr. Speaker, why has this government that has caused beds to close and people to pay user fees and nurses to be laid off not done anything about these million-dollar potential savings which its own report states is an area requiring critical attention?

Hon. James McCrae (Minister of Health): Mr. Speaker, the honourable member's question provides me with an opportunity to remind the honourable member that the issue of laboratory fees, private and otherwise, will now be the subject of close scrutiny through the auspices of the medical services council, which is one of the results of the agreement reached between the government and the Manitoba Medical Association.

It would have been good if the honourable member, rather than being critical of this extremely comprehensive deal which provides improved services for Manitobans—it would have been better served if the honourable member had lent his support to that agreement because it does precisely what his question asks us to do.

Mr. Chomiak: The minister missed the entire point. He refuses to acknowledge that his own

report states that private profit-making labs are not seen to be providing Manitobans with good value—end of quote, Mr. Speaker. It talks about millions and millions of dollars going to private labs while he closes hospital beds, while nurses are laid off.

When will this government take action to deal with private profit-making labs as stated in the government's own report that they will not make public? I will table these documents.

Mr. McCrae: Quite the contrary, Mr. Speaker, I believe my response to the honourable member's first question clearly acknowledged a need for improvement in the area of the conduct of laboratory services in this province. That is precisely why I agree with the honourable member. We need to get better value out of the dollars spent in that area.

That is why I say to the honourable member then, why would he oppose a mechanism that will do exactly that? Why does he not get onside, along with members of the medical profession, along with members of the nursing profession, along with members of all the other health care providers and consumers in Manitoba, and get with the program and help us fix our health care system?

Mr. Chomiak: Mr. Speaker, again the minister misses the point. He is talking about some fees to private labs. He is not talking about what is identified in his own report, that these labs are creaming the crop of fees. The government is cutting down services to public labs by forcing them to close. The tests are being creamed by these private labs, and the minister is saying he is doing nothing. It was identified in their own health reform document.

What specific action is this minister going to take to deal with private profit-making labs that make profit at the expense of patients, according to the government's own report? What action?

* (1345)

Mr. McCrae: Mr. Speaker, you can always count on the honourable member to use a health care debate or any other kind of debate to bootleg into the debate his own philosophy about private versus public.

If there are shortcomings in private or public services, it is our duty to do our best to try to improve the situation. In my estimation, the issue of regulation is what is required here and not simply to take the blinkered approach that says anything that is private is bad.

It was not very long ago the honourable member was very, very critical of a pilot project involving a private company. The patients, and I believe it was CKY Television, said that the patients liked the service. The NDP hated it.

Provincial Judges Early Retirement Package

Mr. Gord Mackintosh (St. Johns): Mr. Speaker, my question is to the Minister of Justice.

Manitobans wonder how this government can afford to pay approximately \$1 million to eight judges for them to work one-third time while there is no money in the budget for hiring of additional judges, while backlogs are at an historical high in the province and while the government cannot even fulfill the basic function of bringing someone from England to Manitoba to face justice.

It also raises the serious question of the independence of judges in Manitoba and how the judges can hear cases where the Attorney General is a party in the morning, and in the afternoon those same judges come to the Attorney General with cap in hand for remuneration.

My question to the Minister of Justice is: Would she confirm that the government has privately offered a compensation package for retirement to provincial court judges?

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): Mr. Speaker, I totally reject the member's preamble and some of the points which he has put forward. He is wrong as usual. He is consistently attempting to put forward information which is not of benefit to Manitobans and which, in many cases, is completely inaccurate.

He seems to assume in his question, first of all, that we will not be replacing judges. Certainly, I have made the commitment that we are replacing

three vacancies, and we will certainly be looking at what is required.

He continues to bring forward the issue of backlog, and he has offered no concrete facts about backlogs. I have explained to the member, in this House, that the one court in which we have some concern around the issue of backlog is the Domestic Violence Court, and we are working very closely with the chief provincial court judge to deal with that.

He then raises the issue of the time-limited voluntary retirement package, which we were well within our rights to have discussion with, but I will tell the member that the lead was taken by the Civil Service Commission.

Mr. Mackintosh: Mr. Speaker, the minister just does not get it. My question was very specific, and if there is misinformation coming from my mouth, this minister should be correcting the record. She has failed to do so, in fact, has only acknowledged my information.

My question to the minister is: Will she confirm that the government has indeed offered a retirement package to provincial court judges?

Mrs. Vodrey: Mr. Speaker, I am happy to correct the record again. The member suggested this was something which I have done. I have let him know that it is the Civil Service Commission which has taken the lead in all of these matters. Therefore, I totally reject what he has put forward in terms of a package in the morning and meeting with the judges around independence in the afternoon—totally reject that.

However, we are within our rights to offer a package. It is a one-time voluntary retirement package to judges, and we have had some judges accept it.

Let me say to the member, too, something which he seems to have forgotten or probably does not know. There is no mandatory retirement age for judges in the province of Manitoba. Therefore, this was an option to allow judges to take advantage of retirement and to allow the Province of Manitoba and the provincial court to refresh the bench.

Mr. Mackintosh: I thank the minister for confirming that indeed a package has been offered and, in fact, that the package has been accepted by some judges.

I also, then, ask the minister how she thinks that the government can offer such a package without it first being reviewed and approved by this Assembly.

* (1350)

Mrs. Vodrey: Mr. Speaker, the member has completely confused the judicial compensation package with this one-time voluntary retirement package for judges which falls outside of the requirement. The member continues to assume also that we will not be replacing those judges. He is wrong.

The member also does not seem to understand that those judges will be available to work part time, Mr. Speaker. It allows, if eight judges do take advantage of this retirement package, a part-time pool of 17 judges to be available. That will certainly be of great assistance to the court, and, as well, naming further judges will refresh the bench.

MATTER OF PRIVILEGE

Provincial Judges Early Retirement Package

Mr. Speaker: Order, please. The honourable member for St. Johns, I believe you said, sir, on a matter of privilege?

Mr. Gord Mackintosh (St. Johns): Yes, Mr. Speaker, and I will be concluding the matter with a motion.

As a result of the answers to my questions this afternoon in Question Period, the Minister of Justice (Mrs. Vodrey) has confirmed that indeed the government, the Treasury bench, has been able to offer and has had accepted a retirement compensation package to certain provincial court judges. So this is the first opportunity I have, Mr. Speaker, of raising this issue.

Mr. Speaker, I would like to table Section 11.1 of The Provincial Court Act. Section 11.1 of The Provincial Court Act was enacted by this Assembly in March of 1990. That section was

brought into the Assembly at the initiative of this government. That section requires very clearly that this Assembly review and approve the issues of salaries and benefits payable to judges. There is no exception in there about short-term salaries or short-term benefits. It says salaries and benefits. The reason for this is so the independence of the judiciary can be maintained in this province so the government, itself, is not going and making deals with the judges in secret.

Mr. Speaker, now that the minister has confirmed that a deal has been privately and secretly made by this government with judges without the approval of this Assembly, the government has, by refusing to comply with The Provincial Court Act, improperly obstructed the ability of the members of this Chamber to fulfill their duties, a duty that is clearly and succinctly set out in the legislation.

This, I suggest very strongly, is a contempt of this Assembly. It is not just a failure to follow established practice. It is a denial of the basic rights of members of this House to fulfill their function.

I conclude by submitting that the only remedy for the government's failure to live up to its obligations and the only remedy available to this Assembly for the obstruction of its ability to do its job is by a matter of privilege.

Therefore, I move, seconded by the member for Thompson (Mr. Ashton)

THAT the issue of a judicial compensation package now offered to provincial court judges for the purposes of retirement and the government's apparent failure to comply with Section 11.1 of The Provincial Court Act, thereby obstructing and interfering with the duties of members of the Assembly, be referred to the Standing Committee on Privileges and Elections.

Hon. Jim Ernst (Government House Leader): Mr. Speaker, I think if you look on page 76 of the rule book for our Assembly here, you will see that "a dispute arising between two members as to allegations of facts does not fulfill the conditions of parliamentary privilege."

Mr. Speaker, that is what we have here, a dispute over the facts. The member alleges one set of facts, that it is his belief that one section of the judicial—whatever act it was, I am sorry I did not—The Provincial Court Act, was in fact not followed.

The minister, on the other hand, says that what actions that have been taken were outside of the parameters of that legislation. That, in my view, is a dispute over the facts. His matter of privilege ought to be ruled out of order.

* (1355)

Mr. Kevin Lamoureux (Second Opposition House Leader): Mr. Speaker, in listening to the member for St. Johns' (Mr. Mackintosh) presentation and questions from yesterday and today, I believe that he raises a very valid concern and the government has been unable to demonstrate that, in fact, the Legislature, in particular this government, is, in fact, not in violation of some of the rules that we have passed inside this Chamber in terms of legislation.

I think that there is some merit to be making a suggestion that this particular issue go toward a Standing Committee on Privileges and Elections and would strongly recommend that we give that serious consideration.

Mr. Steve Ashton (Opposition House Leader): Mr. Speaker, I think it is important in dealing with a matter of privilege to recognize—I say this to the government House leader. This is, I believe, an appropriate matter of privilege. It is not a dispute over the facts. The facts are clear. The fact is the government has made a retirement offer that may approach upwards of a million dollars to two members of the judiciary. The fact is we have a statute that is on the books that is applicable to this House that states that all such packages, all such remuneration and benefits issues must be dealt with by the Legislature.

Now, Mr. Speaker, severance is indeed in that category. This Legislature just went through the process, through an independent review of dealing—when Wally Fox-Decent was the chairman, it dealt with salary and benefits of

MLAs, and that included the question of severance.

I want to indicate, Mr. Speaker, why indeed I believe this is a legitimate matter of privilege. First of all, it clearly meets the requirements of Beauchesne 115 which indicates it “must be brought to the attention of the House at the first possible opportunity.”

This is the first time we have had it confirmed by the Minister of Justice (Mrs. Vodrey) that indeed such an offer has been made. So this is the first opportunity.

The most important fact that has to be considered though again in terms of a matter of privilege, and I quote Beauchesne again, Citation 26, is that a question of privilege is “partly of fact and partly of law.”

In this case, there can be no dispute of the fact. The minister has confirmed that. I believe there can be no dispute of the law as well. The member for St. Johns (Mr. Mackintosh) just tabled the section of the legislation that is applicable in this case.

What really is at stake when you have to decide whether this is indeed a prima facie case of privilege is whether the actions of this government have once again violated the authority, the rights and privileges not only of this Chamber, Mr. Speaker, we are not just talking about 57 members, but the rights and privileges of all Manitobans, because when legislation is passed in this House, everyone has to abide by that legislation including this provincial government.

So the bottom line is we believe very strongly this is a matter of privilege. It is about time this government stopped acting in such a high-handed way and respected the rights, the laws of this province, and the rights and privileges of members of the Legislature.

Mr. Speaker: A matter of privilege is a serious concern. I am going to take this matter under advisement to consult with the authorities, and I will return to the House at a later date with a ruling. Now we will move on to Question Period.

ORAL QUESTION PERIOD

(continued)

**Manitoba Telephone System
Cable Network Sale**

Mr. Paul Edwards (Leader of the Second Opposition): Mr. Speaker, last year in front of the Standing Committee on Natural Resources and Public Utilities, Mr. Oz Pedde, the president and CEO of Manitoba Telephone System specifically indicated, and I quote from page 6 of his presentation: "Looking to the future, MTS is focused on leveraging the most out of its network infrastructure for revenue generation."

Mr. Speaker, we have now learned that, in fact, the government, MTS, are in the process, if they have not already signed a deal with a consortium of private cable companies—I believe Shaw Cable out of Alberta is a part of that, is involved in that at least; I do not know if they are exclusively involved—to sell off the cable network currently owned by MTS.

Mr. Speaker, given the repeated commitment on paper and in words about this government wanting to lead the information highway, be a part of it, can the minister indicate what the details of that sale are, if, in fact, it has been concluded, whether or not MTS is selling off its cable network, and if indeed it has, at what price and to whom?

* (1400)

Hon. Glen Findlay (Minister responsible for the administration of The Manitoba Telephone Act): Mr. Speaker, there have been negotiations ongoing for some time with the Manitoba cable operators who have come together and formed an association with the intention of improving cable services to all Manitobans who currently have cable and of putting in place a first in Canada, in fact, first in North America, a microwave cable television distribution system for rural Manitoba. Nobody in rural Manitoba now has cable television of anywhere near what the people in the city of Winnipeg, towns and villages have.

That negotiation has resulted in a Memorandum of Understanding being signed between MTS and the cable operators. They will purchase the

existing distribution system for \$11.5 million, and it has a net book value of \$7.5 million, so there is a net gain there for MTS in that process. At the same time, the cable operators have committed to spending some \$35 million on capital upgrade of the existing system plus the microwave system.

So everybody comes out with better-quality cable television, broader choice, a 1990-type system, and the cable operators are putting all the capital in to do it. The government and MTS is not required to put capital in.

Mr. Edwards: Mr. Speaker, I am pleased to have some details from the minister today and would appreciate his making public that Memorandum of Understanding which he speaks of. I would hope that would be a public document and that he would table it.

My supplementary question for the minister: Who will own the new cable network? The minister talks about the existing cable system being sold off and upgraded with private capital. Who will own the new system, Mr. Speaker? On what terms has MTS guaranteed access for the public good to that new cable network?

Mr. Findlay: Mr. Speaker, the system will be owned by the cable operators. What they will deliver on that will be controlled by CRTC. They have to take all their applications to CRTC for approval.

And what was your other question? [interjection] Oh, public access for MTS. There is a component in the agreement that MTS has access to the system for whatever delivery they might also want to do. There is a very good working relationship between the two.

They are looking at new ventures between MTS and the cable operators to upgrade and do further research, to even improve the delivery of those kinds of signals to Manitoba residents.

Mr. Edwards: Mr. Speaker, what I am most concerned about is that a year ago, Mr. Pedde specifically indicated that ownership of the network infrastructure was essential for revenue generation. Today, the minister is saying they are selling off ownership.

My question for the minister: Has MTS gained a guaranteed access to that new system at set prices, or are we going to be hostage? Is the public good going to be hostage to fluctuating prices based on—[interjection] The Minister of Health talks about CRTC. They regulate. This contract is going to be signed by this government.

My question for the minister: Is there something in this contract guaranteeing set, affordable prices for the public to have access to that new cable network, because the infrastructure is essential to the public being able to take advantage of the new information highway?

Mr. Findlay: Mr. Speaker, they have signed the Memorandum of Understanding. The final agreement is in the process of being negotiated. I want to let the member know that only in Manitoba did the telephone system own the distribution system. It is the only province in this country where that existed.

The cable operators have dedicated two lines—[interjection] I wish the member would listen—in the system for distance education. That will improve, particularly for rural Manitobans, the ability to link into the information highway for distance education.

Olarewaju Family Deportation Intervention

Ms. Becky Barrett (Wellington): Mr. Speaker, on Monday, in response to a question that I asked the Minister responsible for Culture, Heritage and Citizenship, he stated that he had no difficulty urging the federal minister to give any citizen fair treatment. This was in response to my question about the potential deportation of the Olarewaju family.

I would like to ask the minister or the Premier (Mr. Filmon) if the government interceded on behalf of this family in the meantime and what his position is given the fact that the federal Minister of Immigration has refused to review the deportation hearing for this family.

Hon. Harold Gillehammer (Minister of Culture, Heritage and Citizenship): Mr. Speaker, yes, this is clearly a federal matter where

they are truly the gatekeepers on immigration matters. Officials from my department have been in daily contact with federal officials. However, I have to tell the member there are issues of confidentiality around any specific case to do with immigration that the federal government is not on their own prepared to share with us.

We have urged them to look at this carefully and to be sure that fair treatment is given, based on the facts that they are able to share with us.

Olarewaju Family Deportation Intervention

Ms. Becky Barrett (Wellington): Mr. Speaker, my understanding is that—I know certainly on this side of the House, we have been inundated all week, certainly all day, since the deportation was approved by the federal minister.

I am wondering if the Premier would now intervene on behalf of this family and go straight to the federal Minister of Immigration or even the Prime Minister and urge that this family be allowed to stay in the province of Manitoba. Would he stand up for this family that has brought a great deal to the province of Manitoba and urge that the minister do the right thing and rescind the deportation order?

Hon. Gary Filmon (Premier): Mr. Speaker, this is indeed a very troublesome issue, and certainly I know that the federal Liberal government has made its decision on the matter, a decision that certainly appears to be one that is very questionable under the circumstances. I think it is regrettable that with all of the members of the federal government from Winnipeg, there was no urging or intervention on their part to the best of our knowledge.

Mr. Speaker, I would be more than happy to send a letter from my office to the federal government to urge them to review the issue and to intervene in the situation.

Ms. Barrett: Mr. Speaker, I appreciate the Premier's willingness to intervene on their behalf, and I just would like to ask that he do that immediately. We on this side of the House have written and called the minister responsible for

immigration's office. We did it last week. My understanding was that the minister responsible for citizenship had intervened, and I am hearing now that perhaps that is not the case.

I would urge the Premier to pick up the phone and phone the new Prime Minister of the country to attempt to make this situation reverse itself.

Mr. Filmon: Mr. Speaker, as the Minister of Culture, Heritage and Citizenship (Mr. Gilleshammer) has indicated, his department has been in daily contact on the issue, and they have been following through to the best of their ability.

I will, as I have indicated, write directly to the minister responsible and the Prime Minister to urge their review of this particular case.

Manitoba Telephone System Cable Network Sale

Mr. John Plohman (Dauphin): Mr. Speaker, the minister responsible for the telephone system has just indicated that he has signed a Memorandum of Understanding with the cable companies with regard to MTS's jurisdiction over cable in this province.

I would ask the minister today if he will follow from his answers that he just provided by tabling that Memorandum of Understanding in the Legislature and explain to the Legislature at this time what provisions he has made to protect public access to the electronic highway that is emerging and ensuring that reasonable rates will be the order of the day for all users in the future.

Hon. Glen Findlay (Minister responsible for the administration of The Manitoba Telephone Act): Mr. Speaker, in terms of access to the system, it is regulated by CRTC as the cable system always has been in Canada. If you noticed today, the Supreme Court has said that all telephone companies, no matter whom they are owned by, will be regulated by CRTC, so we have moved in continuing in that direction.

The cable companies have guaranteed two channels for distance education. Again, that is a significant commitment by them. The Memorandum of Understanding has been signed

by MTS and the cable television operators. I will ask them if they are prepared to have it released.

* (1410)

Mr. Plohman: Well, Mr. Speaker, the minister also indicated that this was a win-win situation. We would like to know, on behalf of the people of Manitoba, because we are concerned about the ability of the public to have access to all services over the electronic highway in the future, how this is a win-win situation.

Let the minister come clean with all of the facts to substantiate the decision he has made that this is a win-win situation for the public of Manitoba.

Mr. Findlay: Mr. Speaker, I would very much like to tell the member again, if he did not hear it the first time or could not read the press release, everybody that currently has cable television in the city of Winnipeg, towns and villages, has improved service in terms of signal and choice of channels and a much broader system than they have today. Today, nobody who lives in a farm home has cable television services available to them.

A first in Canada, in fact, a first in North America, a microwave digital cable television system will be built in Manitoba. If the member is against that, he is against rural Manitoba which has never had cable television before in this province.

Mr. Speaker, this follows on the heels of five years ago of being able to announce we were putting private lines in every rural farm home. We are now putting cable television availability in every rural farm home in Manitoba.

Mr. Plohman: Mr. Speaker, I am asking the minister clearly, on behalf of rural Manitobans, why does this minister feel it is absolutely critical that the cable companies be providing this service and be given jurisdiction over the electronic highway rather than MTS? Why could the Manitoba Telephone System not provide this service? How many jobs are going to be lost there as a result of this government's failure to provide the service through MTS?

Mr. Findlay: Mr. Speaker, the member probably does not understand that all MTS owned was the

distribution wires, and the cable operators delivered the content over those wires. It is the only province in this country where that existed and it did not—[interjection] Would you please listen? You asked the question. You did not understand the issue. Please listen.

There needs to be at least \$35 million invested in that system to upgrade it to modern standards, and an additional \$100 million is expected to be invested. There is no reason that the public should stand behind the risk of that investment.

The cable operators have come forward and said, if we can buy the system for \$11.5 million, we will invest, in addition, \$35 million, put in place 40 permanent jobs and all the construction jobs. They are putting forth all the investment to upgrade the system without any risk to the public purse. I think that is a win, win, win for everybody involved.

Gross Revenue Insurance Plan Replacement

Ms. Rosann Wowchuk (Swan River): Mr. Speaker, in the budget and in the throne speech, the government mentions that they are going to extend GRIP coverage until 1996. The province is talking with other provinces and the federal government about the national income safety net program. Some provinces already have their outlines of what they propose to replace GRIP with.

My question to the Minister of Agriculture is: What is this government's policy towards replacement of GRIP? Do they have a plan? Have they developed alternatives to the present GRIP program—

Mr. Speaker: Order, please. The honourable member has put her question.

Hon. Harry Enns (Minister of Agriculture): Mr. Speaker, the honourable member poses a host of questions, all of which are under active consideration by a rather broad group of agricultural people here not only in the province of Manitoba but throughout Canada. The committee is meeting later on towards the mid part of May for some final recommendations to be made to the

Agriculture ministers' conference which we have the privilege of hosting here in Manitoba in Winnipeg in the first week of July.

There are different positions being taken by different provinces. I can only indicate to the honourable member that in Manitoba, we hope to retain the basic program of support that the GRIP program has offered to Manitoba farmers for the past five years.

Ms. Wowchuk: Mr. Speaker, since there is a safety net committee that is working, can the minister tell us whether he has given direction to this committee to consider looking at things such as capping cost of production, payment at the elevator rather than payment up front, issues that caused concern with this GRIP program, whether he has directed the committee to address those concerns when they are developing a new program.

Mr. Enns: Mr. Speaker, I would like to compliment my predecessor on the fact that most Manitoba farmers are very well aware that, particularly in comparison to their neighbours in Saskatchewan, we have a much better program. What we are all concerned about is that the level of government support, whether it is federal or provincial, be targeted as much as possible.

We have to be extremely concerned. Certainly, the last few weeks of international debate mean we have to be concerned about the attitude that our major trading partners take towards these kinds of support programs so that we do not build countervailability into them.

They are complex issues and ones that I would ask the honourable member to engage me in debate on during the Estimates of the Department of Agriculture, which I am hoping will be coming about very shortly.

Ms. Wowchuk: Mr. Speaker, the minister criticizes the Department of Agriculture in Saskatchewan, but at least that department has outlined what they want for replacements for GRIP.

Will this minister table what his committee is proposing? What are you proposing to replace

GRIP? Do you have a plan or do you not have a plan?

Mr. Enns: Mr. Speaker, I do not want to be unfair to my colleagues in Saskatchewan. I do know one thing. They have to be worried because they have indicated to Ottawa and to the federal government that they have no plan at the end of this year. They are out of GRIP in the year '94, so they now have to put forth all kinds of proposals and suggestions for continuation in the post-GRIP period.

I remind the honourable member that Saskatchewan, like us, works co-operatively with the federal government. The federal government is a major player in these kinds of support programs, and we cannot define or devise individual programs at the provincial level.

Youth Crime Boot Camps

Mr. Gary Kowalski (The Maples): Mr. Speaker, my question is for the Minister of Justice.

Today, the people of Manitoba can add more information to the growing body of evidence that demonstrates that the minister's punitive approach to youth crime will not work.

A U.S. study shows that graduates of prison boot camps are just as likely, if not more likely, to return to crime than inmates who have served their sentence in regular prisons. This study confirms what has already been concluded by many others, such as the U.S. House of Representatives judiciary committee, which found that prison boot camps have no clear record of deterring future criminal behaviour.

How does the minister reconcile the fact that her boot camp initiatives run contrary to all of the evidence which demonstrates that these camps only reinforce antisocial and violent behaviour and confirm participants as well-conditioned hardened criminals?

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): Mr. Speaker, I am very pleased to have the opportunity to speak about the full nine-point plan that this government has put forward to deal with youth crime and violence, a very comprehensive nine-point plan which starts at

the preventive end, which deals with community intervention through the Youth Justice Committee, and, also, let me tell the member, deals with the toughening up of the Young Offenders Act.

We have not heard one word from the Liberal Party in this province as to where they stand on the Young Offenders Act. The federal government has not indicated that they will back up the position of this province. Where does our Liberal Party stand in this province? Make themselves clear.

Mr. Kowalski: Mr. Speaker, when we have an election, they will see our plan and they will see our position.

Mr. Speaker, at its summit on youth crime and violence, the government distributed a paper entitled Boot Camps General Information. In this paper, the government recognized and I quote, that the boot camp approach is not culturally sensitive.

Aboriginal groups have expressed their concern that these camps could isolate aboriginal youth from their communities and would bear striking and eerie resemblance to the residential schools.

Will this government assure this House that any plan commits itself to consultation with aboriginal groups so that appropriate solution to youth crime can be found?

* (1420)

Mrs. Vodrey: Mr. Speaker, when I made the announcement of the nine-point plan, I announced very clearly the establishment of wilderness camps and also a boot camp which is the urban model.

I have also said in this House that we have consultation with the aboriginal communities across Manitoba to look at culturally sensitive issues. Let this member never forget that we are dealing with offenders who have left victims behind, and this government is committed to our plan.

Mr. Kowalski: Mr. Speaker, the nine-point plan gives so little recognition to the root causes of crime.

Does she not realize that without dealing with poverty, neglect, substance abuse and appropriate student supports that youth crime will continue?

Mrs. Vodrey: Mr. Speaker, our most recent budget has indicated our commitment in the areas of prevention in health, education and family services. Over the past years that this government has been in power we have put forward over a billion dollars more, or approaching a billion dollars, in those areas of prevention. So this government maintains a commitment to prevention, but that member only wants to see dollars.

This government has come up with a prevention plan and a nine-point plan that will assist the people of Manitoba to become involved because this is a problem that affects all the people of Manitoba.

Home Care Workers Safety Concerns

Ms. Marianne Cerilli (Radisson): Mr. Speaker, this government has not been enforcing its workplace safety regulations, including the working alone regulations, and this is problematic for many workers, including those working in home care.

Home care workers are often working in isolated situations. They work at night, 97 percent of them are women, and they are often the victims of violence.

My question is for the Minister of Labour. What will this minister do to ensure that home care workers who are the victims of violence are not revictimized by being removed from their jobs?

Hon. Darren Praznik (Minister of Labour): Mr. Speaker, first of all, if there are specific incidents that the member for Radisson would like to bring to my attention or that of my department I would certainly welcome that particular information. She has not done that to date. If the member is suggesting, knowing all the demands on the government, that we require two home care people to serve in each case just so that there are two people in a work situation, that seems not at all appropriate or practical, I would think.

Ms. Cerilli: If this minister was interested in hearing about cases, he would enact the Workplace

Safety and Health regulations which would make sure—

Mr. Speaker: Order, please. This is not a time for debate. The honourable member for Radisson, with your question, please.

Ms. Cerilli: Can the minister tell the House what emergency provisions are in place, including supervision for night workers, a buddy system, some kind of emergency beeper system or cellular phones to make sure that these workers are not going to be isolated and are going to have as safe an emergency response as possible?

Mr. Praznik: Mr. Speaker, the member talks about Workplace Safety and Health regulations. This may be big news to her, but we have Workplace Safety and Health regulations in Manitoba. They have been in place for quite a number of years, so to imply that we have no regulations is not at all accurate.

I should tell the member, if there are specific cases that she feels should be brought to our attention, we would be more than pleased to have that happen. I can tell you that I, as minister, have not had a complaint raised to me by the unions involved specifically or by these employees who have been brought to my attention. I do not believe my colleague, the Minister of Health (Mr. McCrae)—none that come to mind immediately.

Although she comes to this Assembly today with what appears in her mind to be a big crisis, I would suggest that she provide us with the facts, which might be rare.

Ms. Cerilli: Mr. Speaker, I had hoped that the minister would answer my question about an emergency response provision for these workers.

My final supplementary for the same minister: Will he commit to working with the Minister of Health (Mr. McCrae) to ensure that there is going to be information given in the client handbook for home care families and clients to make strong statements about violence not being tolerated in the workplace situation?

Mr. Praznik: Yes, Mr. Speaker, we certainly will take the member up on that suggestion, but I would just point out to the member that one of the great

difficulties in health care—and I would hope the member would appreciate this. I know myself, as minister, I have had discussions in the past with health care providers.

Just the issue of violence in a hospital, for example, there is another side to this, particularly with nurses, where we had patients who were violent because of the natures of their illnesses or disease or injury, that these are very, very difficult situations to deal with. What does one do? Does one just abandon that person? Of course not.

Making people aware that this is a problem, or potentially a problem, is certainly valid, and we will take the member up on her suggestion.

Supported Employment Program Funding

Mr. Clif Evans (Interlake): Mr. Speaker, the Supported Employment Program has 71 clients in the Interlake area. I would like to quote from one letter of support for the program: We have witnessed the benefits of this program to the people with a mental disability we serve. Not only financially, but the self-esteem and self-worth value of this program is enormous. During these tough, economic times, government should be encouraging cost-efficient programs such as this. The people employed under this program are social allowances recipients, and by being gainfully employed, the government will save money in the long run.

Mr. Speaker, currently, the program is operating on interim funding. My question to the Minister of Education is, given his government's supposed commitment to training for Manitobans, can he tell us today if his government will continue funding for this valuable training program serving people in the Interlake region?

Hon. Clayton Manness (Minister of Education and Training): Mr. Speaker, we are allocating more funding to training initiatives across the province, but there is going to have to be a fair balance in sharing amongst all the divisions, of course, who want a level of training, so I cannot definitively answer the member's question at this

point in time. I will try to do more so when we move into Estimates.

Mr. Clif Evans: Mr. Speaker, given that in the past two years of operation, provincial funding has not been approved in time for the beginning of the following year, which is disruptive and damaging to the program, will the minister tell the House when the Supported Employment Program can expect to hear about their funding, so that training and services can continue?

Mr. Manness: Mr. Speaker, I will have to take the question as notice.

Mr. Clif Evans: Mr. Speaker, given that the program is cost-efficient and reduces the dependence of clients on social assistance, will the minister commit to stable long-term funding for the program, as requested in this letter to the Premier (Mr. Filmon) from the president of the board of directors?

Mr. Manness: Mr. Speaker, I cannot make that commitment at this time.

Minister of Family Services Retraction of Remarks

Mr. Doug Martindale (Burrows): Mr. Speaker, there are occasions when all of us are torn between the opinions of our constituents and our responsibilities to our platform or to our department in the case of ministers. I believe that the Minister of Family Services should be standing up for the rights of foster families and foster children and standing up against the hysteria of some of her constituents. This is the International Year of the Family. It is the Year of Racial Harmony.

Will this minister reverse her statement in the media that she is taking the interests of her constituents first and, instead, take responsibility for being the Minister of Family Services who provides funding to foster families? Will she put their interests and their rights first?

Hon. Bonnie Mitchelson (Minister of Family Services): Mr. Speaker, I thank my honourable friend for that question, because it does allow me to put the facts on the record today for all Manitobans.

I had a call from a constituent, a couple of families, constituents in my constituency, as the elected representative for River East constituency, expressing a concern regarding an issue. It was an issue that was causing some problem for them, and it was indeed a constituency issue.

In my capacity as the elected representative for my constituents in River East, I went out to meet with my constituents, as would any member of this Legislature, I am sure, and as did the member for Wolseley (Ms. Friesen) last year when she had an issue with the Department of Family Services, went to the Minister of Family Services and asked for him to facilitate a resolution in her constituency. I think that did indeed happen.

Mr. Speaker, what I have done is gone to listen to my constituents and as a result of listening, I will be attempting to facilitate a meeting for my constituency to try to ensure that the issue is resolved in a very positive manner for both the foster family and that home and the issues that were raised regarding safety in my community.

Mr. Speaker: Time for Oral Questions has expired.

ORDERS OF THE DAY

BUDGET DEBATE

(Sixth Day of Debate)

Mr. Speaker: On the proposed motion of the honourable Minister of Finance (Mr. Stefanson), that this House approve in general the budgetary policy of the government and the proposed motion of the honourable Leader of the Opposition (Mr. Doer) in amendment thereto and the proposed motion of the honourable Leader of the Second Opposition (Mr. Edwards) in further amendment thereto, standing in the name of the honourable member for Inkster who has three minutes remaining.

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I want to pick up on an area which the Minister of Education (Mr. Manness) and other ministers have talked about in terms of opposition always wanting to say spend, spend, spend. I want to pick up in terms of the question that I asked yesterday of the Minister of Education in trying to come to grips

with the commitment that this government made to Manitobans back in 1991 when they said that they were going to do what they could to increase the level of literacy in the province of Manitoba.

* (1430)

I asked the minister yesterday in terms of why it is that particular line was cut back when the government was saying two years prior that they were committed to increasing the literacy levels. Mr. Speaker, that is a conflict, to be able to say one thing and to do something else. They talk a fine line. I know the member for Osborne (Ms. McCormick) mentioned, in terms of saying one thing and doing another, that that is something this government has, on more than one occasion, done.

Yesterday I made the suggestion in terms of what was happening in the province of New Brunswick. The Minister of Education (Mr. Manness) said, we have a wonderful model in the province of Manitoba, that other provinces are in fact following our model. I am curious if the Minister of Education would be able to tell us what other provinces are adopting the model that this minister or the minister prior to him has put into place. Now he says that they are interested. There is a big difference, Mr. Speaker, if they are saying they are interested or they are following.

I have a video of the New Brunswick literacy program and had the opportunity to watch it. I encourage the Minister of Education to look at what they are doing in the Province of New Brunswick, where they are getting the private sector involved, where they are getting the community involved.

If you are going to raise the level of literacy in the province of Manitoba you have to acknowledge that the government cannot do it all by itself, that the government does need to get the communities involved. There is nothing wrong using Conservative philosophy, if you will, of getting the private sector involved. There is a wonderful model that is in place that has been very successful.

When New Brunswick introduced this particular model, they set five-year goals. In the first nine months they exceeded the five-year goal of what

months they exceeded the five-year goal of what they expected would have been in place or the numbers of individuals participating.

If the government was sincere about increasing the level of literacy in the province of Manitoba, why are they not looking at how they can better spend—not increase resources necessarily—the money that they are allocating to increasing the level of literacy?

The Leader of the Liberal Party (Mr. Edwards) says, instead they are going to build boot camps. You know, the member for The Maples (Mr. Kowalski) poses a very good question today in terms of what is this minister doing. There is no recognition in terms of the effectiveness of the boot camps.

Why are we not providing some of our individuals literacy and training, as opposed to saying, there is only one thing and it is a boot camp? There are some alternatives where it would be much more creative.

I thank you, Mr. Speaker, for the opportunity to speak on the budget and I look forward to the ongoing debate as I am convinced there will be a lot of discussion in the next few months.

Mr. Edward Helwer (Gimli): It is with great pleasure that I rise today and that I have this opportunity to discuss our latest budget. I certainly want to commend our Finance minister, the Honourable Eric Stefanson, and also our past Finance minister, the Honourable Clayton Manness, for the great job they did in the seven budgets that we have presented now in our term of office. These people plus our Treasury Board people have worked very hard, and they certainly deserve to be recognized for the hard work they have done.

Before coming to office in 1988, I heard time and time again, Mr. Speaker, that we require a government that is going to listen to the people and govern accordingly.

An Honourable Member: Have you done that for your constituents?

Mr. Helwer: That is right.

Therefore, I was honoured to be a part of this government when our latest budget was presented. Our budget is the result of various consultation meetings with the public. Together with the people of Manitoba, we have formed a budget that will address the concerns of many Manitobans.

Our budget provides a good mixture of supply- and demand-side economics. This budget aims to free up the disposable incomes of consumers, therefore increasing their buying power to enhance the economic activity. On the supply side, this budget allows small business to invest and grow within the marketplace, with the net result being an increase in private sector investment and in jobs. While striving to stimulate the economic growth, our government has managed to achieve an \$18 million operating surplus, therefore indicating that the concern for the future is just as important as the present.

Throughout the province people are asking for a fair and level playing field when it comes to taxation. I am proud to state that our government is living up to its commitment to reduce the tax burden for all Manitobans, including business and labour. The following trend will continue in the 1994 fiscal year. The freeze on the payroll tax has continued. No increase in capital tax rates. No increase in the sales tax. Manitoba has the longest-running tax freeze in the country. As well as maintaining a tax freeze, this government has provided a budget that includes the tax and investment incentives to stimulate the growth and to provide jobs, real jobs.

With the government in the '90s, common sense must prevail. Our government has proven that common sense will play a role in every financial decision, that we are on the right track towards providing a fair playing field for all businesses to invest and grow.

Since taking office in 1988, our government has saved Manitobans millions of dollars in taxes. Since 1988, Manitoba income tax changed to accommodate federal tax reform, saving Manitobans some \$52 million annually and the basic income tax reduced from the 54 percent to 52

percent saving Manitobans another \$33 million annually.

The provincial sales tax was placed alongside the GST and not harmonized, saving the people of Manitoba another \$30 million. Payroll tax exemption from when we first initiated this in 1989 to 1994 went from \$100,000 in the first year to \$750,000 in 1994. This is estimated to save Manitobans another \$50 million annually.

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

The 15 percent research and development tax credit is saving an estimated \$8 million; an extension of the 10 percent manufacturing investment tax credit. Railway diesel fuel tax was reduced from 12.6 cents a litre to 9.45 cents in 1993, and this budget will realize another 3.156 cents reduction per litre in that tax. So it is clear that the tax burden on Manitobans is being reduced.

When we talk about housing, through the construction and renovation industries, it provides thousands of jobs in this province. As well as providing thousands of jobs, any incentives from the construction industry can satisfy the demands of younger families for suitable housing.

This budget addresses these needs by providing a tax credit for the first-time home buyers. A maximum of \$2,500 is available for the purchase of a house or the construction of a house of \$100,000. A one-year, \$10-million program will be provided to assist people who want to renovate and upgrade their homes. A \$1,000 grant is available for structural improvements of homes currently valued up to a maximum of \$100,000. So these two initiatives are estimated to create 600 jobs and give the renovations sector a timely boost. These are real jobs, Madam Deputy Speaker.

When we talk about transportation, with the geographic location of Winnipeg and Manitoba, an enhanced transportation system can better enable us to market our products to the United States and to the rest of Canada. Therefore, our government has taken three steps to build Manitoba as the transportation hub of the country. Our railway diesel fuel will realize a phased reduction of 3.156

cents per litre this year. Our truckers will continue to have the second lowest diesel fuel tax rate in the country.

* (1440)

A transportation component in the Infrastructure Works Agreement will provide the transportation infrastructure required to make all regions of Manitoba competitive on the international market. Also, today the Minister of Highways and Transportation (Mr. Findlay) announced that the capital budget for the 1994 highways program will be \$109 million this year, \$110 million last year. When you look at the comparison of what it was prior to 1988, the last NDP government had a capital highways project of \$88 million. So we have increased this by over \$20 million.

Compare this to Saskatchewan and also to Ontario. Even when the Liberal government was in Ontario prior to the Rae government, the Peterson government, they did little to enhance and improve the highways in Ontario. They raised the taxes and increased their revenue and did little to improve the transportation system.

Our government has made great advancements in the field of medical reform. The proper initiatives must be taken to ensure that Manitoba continues to have the best health care in the world. Our government has accepted this challenge, and it became very evident in the April 20 budget. The proper leadership and direction is being given in the form of preventive care and reform.

Manitobans can rest assured that essential services will always remain a fixture in our system. As well, we will provide service in the most efficient manner possible and redirect our resources towards a system that all Manitobans deserve. We will continue a consistent emphasis on community-based care and illness prevention.

Contrary to the opinions of our opposition, health care services are not being cut. Our government is allocating a larger percentage of our revenue towards health care than the NDP government ever did through the '80s, and we did not have to run an operating deficit to do it.

When it comes to government living within its means, efficiency becomes the key word. The April 20 budget clearly states that \$1.85 billion will go towards health care, and home care will receive an additional \$2.6 million.

There will be an establishment of an appeal panel and advisory committee for home care services. Support services for seniors will be enhanced by \$500,000; breast cancer and cervical cancer screening will be enhanced; funding for dialysis treatment will increase by \$2.4 million; funding for bone marrow transplants will increase by \$1.3 million.

For the last couple of years, bone marrow transplants can happen right here in Winnipeg. You do not have to go to Vancouver or London, Ontario or Toronto to have a bone marrow transplant. You can have it done right here in Manitoba, thanks to our health system in Manitoba.

We have noticed the establishment of Manitoba's first lung transplant pilot program. Pharmacare will receive an additional \$5.6 million. The new Drug Program Information Network will help avoid adverse reactions and overprescribing of medication. The new system will also enable Manitobans to receive Pharmacare benefits as soon as the prescriptions are filled. Community-based mental health services will receive an additional \$4.3 million.

There will be an increase in the number of adult day care spaces. In my own constituency of Gimli, we find the construction of a \$9 million hospital in Stonewall and 20 additional beds to be constructed at the Rosewood Lodge personal care home. In my home community of Teulon, 27 additional beds will be constructed at the Goodwin Lodge personal care home.

So through the efforts of our government, funding has been enhanced for seniors in Stonewall, Teulon, Stony Mountain, Gimli and Matlock. Senior citizens can rest assured that our government will do all it can to make their golden years their greatest years. These are the facts, and I think that the facts speak for themselves.

Madam Deputy Speaker, I wish the opposition would stop being dishonest to the public by trying to scare them with half-truths and lies about health care.

During the economic downturns in the past, governments were able to spend money and create jobs by running huge deficits. However, one essential facet of this plan was always overlooked. Once the economy rebounded, governments were supposed to repay the money that they spent by running budget surpluses.

When the former government, the NDP, say that they are strong proponents of the Keynesian economics, why did they continue to run large budget deficits during those good years? When the opposition sit there in opposition and they call for Jobs Funds and budget deficits, you can bet they do not plan to pay this money back. Our opposition does not follow the ideals of the Keynesian economics. They do not believe in this system.

In an era when communism is falling throughout the world, Manitoba still has a political party that is convinced it will succeed, and the NDP just do not understand it. Even in the '90s, when the member for Flin Flon (Mr. Storie) said, we need some deficits to create some economic development, to create some consumer spending so that our retailers, our manufacturers would have some opportunity to grow, this is why international investors look at our national debt and reconsider investing in Canada.

You do not lure investment by running huge deficits to create jobs that last maybe six months. You lure investment by creating a stable economic environment and showing fiscal responsibility. Once you create a stable economic environment, investors can better project the return on their investments. Once people begin to invest heavily in Manitoba we will begin to realize more long-term meaningful jobs. There is no self-satisfaction knowing that you have a six-month job that is bought and financed, as an example, by a Japanese lending agency.

We need to work together as Manitobans, as a government. We need to strive towards economic stability and success. When the NDP and the

Liberals say that they will not raise the deficit this only means one thing, they are going to raise taxes. They cannot expect to run all their vast social programs that they talk about with the present revenues. The only way Manitobans want us to raise revenues is to put people back to work where they can start to pay income tax. The key factor that the opposition keeps forgetting is that the days of buying jobs are over. The rest of the country understands this. Why can the opposition not?

We only have to examine the huge debt that the former government accumulated over the '80s to prove that this philosophy is not sustainable and it will not work. As an example of the former government, between 1981 and 1988 the direct debt rose from \$1.4 billion in 1981 to \$5.2 billion in 1988. On a per capita basis, this represents from \$1,399 in 1981 for every man, woman and child to \$4,762 in 1988, an increase of 240 percent there in seven years. In 1981, four cents of every dollar raised went towards financing the provincial debt. In 1988, 11 cents of every dollar went towards debt management. Today, we have continued to work on that and knocked that figure down to 10 cents, and we are providing a larger percentage of our revenue to social services than the former government did.

Between 1986 and 1988 when the Leader of the Opposition was the member responsible for public investments, five major corporations were losers. MPIC lost \$125 million. Manitoba Hydro lost \$60 million. Manitoba Telephone System lost \$48 million. Manitoba Development Corporation lost \$42 million. Manfor lost \$42 million. I am sure that acronym MPX still sends shivers down the back of the former government. How did Mr. Doer try to cover all this up? He insisted that since the Manitoba Liquor Commission showed \$142-million profit that the Crown corporations were doing just fine when actually they were not.

* (1450)

In agriculture, Manitoba, Saskatchewan and Alberta contain some 82 percent of the farmland in the whole country. Long sunny days and reliable precipitation generally result in a vast array of fall crops on the Manitoba prairies. Amidst a beautiful

harvest landscape is the Manitoba farmer. In 1931, we noticed that 33 percent of all Canadians were living on a farm. Today, that number has changed dramatically to approximately 5 percent. So as Canada grew since the '30s to a service-oriented society in the '70s, we noticed a significant population shift to the urban lifestyle.

The enhancement of technology, more productive farm machinery have enabled us to produce more products through less man hours. With the global pressures and international subsidies, grain prices have not fared well over the past decade. Of Canada's farmers, 37 percent supplemented their incomes in 1991 by working off the farm. Canadian farmers average 70 days annually working for other ventures and projects. However, the Manitoba farmer remains driven by the ambition to live out his father's dream or his parents' dream and work the land that he was raised on.

The Manitoba farmer does not ask for governments to guarantee them success. They only ask for an equal opportunity to succeed on the open market. Approximately 10 percent of Canada's total exports are agricultural products. Since 1988, the country's agricultural exports rose some 5.5 percent. However, global trade has presented tough challenges. Canada's major competing countries such as the United States are keen to shore up their own products and to try to protect their domestic markets while gaining access to ours. The European countries also have subsidized their producers causing neglect of agricultural products on the global market. So the net result of a global subsidy war has been a dramatic drop in prices.

Today, we hear time and time again that we are being accused by the United States of dumping wheat on their consumers. The protectionist stand by our American neighbours has made it more difficult for the Manitoba farmer to receive the true values of his work. These protectionist views and trade threats from the Americans will not be tolerated. I will stand 100 percent behind the Manitoba farmer, and I am sure our Minister of Agriculture (Mr. Enns) will also. With our

Minister of Agriculture, I will fight for what the Manitoba farmers will deserve, and that is a fair and accessible market for the products with the net effect—

An Honourable Member: Take on the socialist hordes.

Mr. Helwer: That is right—being greater exports and more realistic profits—

An Honourable Member: Take on the Yankees while we are at it.

Mr. Helwer: That is what I am talking about— [interjection] That is okay. That is all right.

The life of the Manitoba farmer is not an easy one, and they deserve all the support possible. Between 1987 and 1991, net incomes of the Manitoba farmers have fallen some 19 percent. No wonder Manitoba farmers cringe when they see the public sector threatening to strike, because their wages have been frozen or reduced.

While the national farm cash receipts rose by 2.2 percent in 1993, Manitoba farm cash receipts rose 8.6 percent. This represents the largest increase in the country, with operating costs only being— [interjection] That is right. [interjection] Manitoba cash farm receipts rose 8.6 percent in '93, the largest increase in the country. Manitoba farmers are the most efficient and have worked so hard— [interjection] That is right—so while operating costs have also increased, we still realize that 30 percent net gain in cash income.

This increase in cash receipts was primarily due to three sectors. As a result of some of the flood damage in the United States and our wet summer on the Prairies, prices for canola were high, and receipts increased some 28 percent. This increase was preceded by an increase of 43 percent in 1992 and 30 percent in '91, so oilseeds have made up a large part of this.

An Honourable Member: Another Cinderella story.

Mr. Helwer: That is right, but the average price for cattle was up 10 to 16 percent, depending on the category, and as a result, cattle receipts were up a total of 7 percent.

Finally, we realized an increase also, 13 percent increase, in hog receipts.

Accompanying these sectors were a moderate increase in the smaller crops such as potatoes, barley, oats, and we realized a net gain in cash receipts in the agricultural sector. [interjection] Actually, pretty good.

Well, actually, while you mention that, I want to talk about the safety net program, such as GRIP and crop insurance. These have really helped the Manitoba farmers in light of the poor growing conditions last year because of the weather conditions, the flooding, but because of the safety net program, we have kept the Manitoba farmers in business. They have been able to pay their bills to the suppliers, to the agri-sector. This kept the country together and kept the money rolling and kept everybody in business so that we are there, we will be there, the agricultural sector and the agribusiness sector will be there when times improve. Surely this year the weather conditions will improve, and we hope that a good crop will prevail and we will all be happy.

Also, the Manitoba Agricultural Credit Corporation has made some great improvements to ensure that we do not erode the foundation of the successful family farm. MACC has taken the initiative to reward the successful farm and enable the agricultural sector to grow on this success. We will ensure that the family farm will remain the cornerstone of rural Manitoba. The extension of GRIP is an excellent example of how our government will continue to provide the assurance to farmers as they begin seeding in the coming weeks.

As always, small business is the greatest creator of jobs in the economy. With previous budgets we have taken steps towards eliminating the payroll tax on jobs. With this budget we are providing the incentive for small businesses to invest and create more jobs in Manitoba. We have enacted the following measures and our government has doubled the small business capital tax exemption to \$2 million. Therefore, 600 additional businesses will no longer have to pay this tax. The small business corporate income tax rate will be cut from

10 percent to 9.5 percent for 1994 and 9 percent in 1995. We will continue to provide the leadership to small businesses by reducing their restrictions on growth and enabling them to create meaningful jobs in the economy.

The people of Manitoba need to be assured of the self-reliance and not dependence on the government for funding. The budget takes the initial steps required to move towards a social structure which rewards people for their success and provides the initiative to give all the people an equal opportunity.

The Departments of Family Services, and Education and Training are allocating a few million dollars towards civic projects which will take people from food banks to the chartered banks. In addition, we will continue to work in a trilateral approach with the City of Winnipeg and the federal government in a \$10-million Welfare to Work initiative under the Infrastructure Works Agreement.

Other successful programs such as CareerStart, Partners with Youth, REDI program—youth programs will be sustained and continue to provide our youth with the guidance required as we head into the increasingly competitive global economy. Our government is also committed to provide the training where it is required the most.

* (1500)

The community college budget will receive an increase of 3.3 percent to build on their success and enhanced technical and vocational training. The community colleges will train people for future-oriented growth jobs. When investors come to Manitoba they need to know that we have a technology, advanced labour force that can work in a future-oriented industry. Technology is the future, and we will become more technologically advanced.

In order to provide a strong future for our children, our government is committed to rural development. Under the Rural Economic Development Initiative, REDI, rural programs are able to redirect a portion of lottery revenues into rural Manitoba to encourage and support economic development. These funds are available to regional

governments and various organizations. Just the other day in the Selkirk Journal it talked about what the R.M. of St. Andrews received from the lotteries funds.

An Honourable Member: What did they receive?

Mr. Helwer: They received \$58 million last year from VLT revenues, and this year that will be increased to \$97 million. This will help the Rural Municipality of St. Andrews balance their budget and do some of the good things that they are doing.

While I am on that topic of how Lotteries do good work, in the Selkirk Enterprise also was an ad "Manitoba Lotteries, making good things happen." They talk about the jobs that are created by Black Cat Blades and the improvements that we have made to the St. Andrews, St. Clements and Selkirk Agricultural Society so that they could build the grandstand in Selkirk Park. There have been a lot of improvements made from the Lotteries funds.

Through sale of the Grow Bonds we have been able to harness investment in rural Manitoba, unlike the former administration who believed the only way to create jobs in rural areas was to buy them with public funds. We believe in assisting the private sector in providing the long-term sustainable jobs. Ten Grow Bond issues have been issued to date in Manitoba totalling \$3.4 million and generating \$125 million in total investment as well as creating some 225 jobs in rural Manitoba. This only proves that rural Manitoba will support rural ideas, and the private sector can create many jobs under the right leadership.

You create jobs in rural Manitoba by working closely and listening to small businesses. A prime example of the success through Grow Bonds is the recent announcement that Arborg Interlake Dehyd Products is moving closer to the establishment of a world-class processing facility. At this point, financing arrangements are being made and the approval for a Grow Bond sale is expected shortly.

Sterling Press in Selkirk is another example of a successful Grow Bond initiative. Through an initial investment of \$430,000 on the part of Sterling Press, they will be constructing retail packaging and provide 18 jobs in the Selkirk and St. Andrews community.

I know that the provision of a stable economic environment can create jobs in rural Manitoba. Within one town in my constituency we have witnessed the issue of 154 new building permits for the construction of new homes. What prompted this boom? All that was required was a low tax rate, a low crime rate and the facilities to carry out a normal, active life.

So I believe that we will begin to notice success stories, like we have seen in Stonewall, throughout Manitoba in the near future. With the infrastructure initiatives such as the gasification, we will begin to provide the infrastructure required for businesses to invest in rural Manitoba.

Selkirk can be viewed as another example of how we can use private-sector initiatives to promote rural growth. We already touched base on this when I discussed Sterling Press. The economic outlook in Selkirk is so bright that the introduction of the budget even won praise from the NDP MLA Greg Dewar from Selkirk.

An Honourable Member: No kidding.

Mr. Helwer: Sure. Here is the April 25th copy of the Selkirk Journal. It says, Dewar gives muted praise to provincial budget. That is right. It said, Dewar gives muted praise to provincial budget. This is the Selkirk MLA praising the Manitoba government.

However, Mr. Dewar goes on to state that we continue to raise taxes in other ways. Mr. Dewar should listen to the words of the Selkirk Chamber of Commerce president, where he also says in the same paper, stated in the same article, that I think that is bull in regard to the words of Greg Dewar. The Filmon government has been holding the line, but it is the federal Liberal government that has not, they state. The NDP are just blowing smoke when they criticize the Filmon government's finances.

When it comes to rural development, Mr. Dewar raised his head again as the NDP critic to Lotteries. He reiterates that the Conservatives are increasing their reliance on gaming revenues. Well, let us take a look and see what the Lotteries have done for the town of Selkirk and for Manitoba.

Last year \$140 million went into Manitoba with health care, and when we just look at, again, that same Selkirk Journal, they talk about what it has done there with the Black Cat Blades, a grandstand for the park there, and things of that nature.

Black Cat Blades, while I am on that, is a company from Edmonton which recently invested over \$1 million toward the construction of a new plant in Selkirk. As a result of the rural economic development initiative, REDI, co-ordinated by the Province of Manitoba's Department of Rural Development, we notice the manufacturer is going to provide 35 jobs with this plant, which is just north of the town of Selkirk.

Also, a new grandstand there, as I talked about, for the rodeo exhibition park, which will increase seating by 2,500—

An Honourable Member: Is that also in the Gimli constituency?

Mr. Helwer: No, this is in the town of Selkirk, actually. But that is all right. This is the Selkirk-St. Andrews-St. Clements agricultural society that gets the benefits. [interjection] Good point. We should remember the work on the bridge at Lockport there that brought the two constituencies, Selkirk and Lac du Bonnet, and the Springfield constituency together—[interjection] That is right, with the Red River there. That problem was solved by our Department of Highways minister. Should we talk about our other bridge there?

An Honourable Member: The bridge to the North.

Mr. Helwer: The bridge to the North. Actually, it is called sometimes the bridge to nowhere, but that is not necessarily right, actually. There is a lot of traffic that goes on that bridge from Highway 59 over to the McPhillips access route into Winnipeg, and it is used quite extensively now. Of course, it was our government that built the access roads to the bridge so that we could use the bridge. They forgot about that. They built the bridge, but forgot the access roads. So I just want to make the opposition aware that if they—

* (1510)

An Honourable Member: Do not forget about all the infrastructure we are doing in St. Clements and St. Andrews.

Mr. Helwer: Oh, that is right. I talked about that when I spoke in the throne speech. I talked about the good things that we are doing with the infrastructure such as the industrial park there, the new chemotherapy—

An Honourable Member: Chemotherapy unit.

Mr. Helwer: That is right, in Selkirk. That is right.

An Honourable Member: The new mental health team.

Mr. Helwer: The new mental health team, that is right; a new lagoon in St. Andrews there; a new lagoon there in St. Clements. That is right. These are all going to provide jobs for contractors in Manitoba and jobs for Manitobans, and these are real jobs, these are not—

An Honourable Member: The rolling mill with free trade.

Mr. Helwer: Well, Manitoba Rolling Mill is doing very well. They are one of the largest users of electricity.

An Honourable Member: Is he going to vote against the electricity sales tax?

Mr. Helwer: That is right. Can the member for Selkirk (Mr. Dewar) vote against this budget? The Manitoba Rolling Mill is going to be one of the largest benefactors of our sales tax on Manitoba Hydro use for the manufacturing and processing industries when the Manitoba Rolling Mill is one of the largest users of electricity.

Madam Deputy Speaker, in conclusion I just want to make the opposition aware of what they will be voting against if they vote against this budget. The opposition will be voting against the transfer towards a fair and competitive tax structure. We have to make changes to ensure that no sector of society is overburdened by taxes. This budget takes significant strides towards achieving a more equitable tax system. The opposition must realize that a tax on business is also a tax on the poor, who need to purchase the products they produce. Therefore, equality becomes the key word.

If the opposition votes against this budget, they will be voting against health care reform and the transition towards a better, more efficient system that will ensure we provide these essential services for generations to come.

If the opposition does not believe me, let me remind them what this budget does for health care: \$1.85 billion allocated to health care; Home Care receives another \$2.6 million; Support Services to Seniors increased by \$500,000; regulated midwifery will be introduced; enhanced breast and cervical cancer programs; \$2.4 million increase in funding for dialysis treatment; a \$1.3 million increase for bone marrow transplants; Manitoba's first lung transplant pilot program; a new Drug Program Information Network; community-based mental health services provided an additional \$4.3 million; and adult daycare spaces will be enhanced.

How can the opposition say we have not done anything for health care in this province when we have reformed the system and made all these things available for Manitobans? Who in their right mind would vote against all this? Only a power-hungry, self-satisfying opposition who likes to feed the public with half truths and lies. If the NDP and the Liberals are—my time is up, Madam Deputy Speaker? Okay. Well, I appreciate the opportunity to speak on the budget. Thank you.

Mr. Steve Ashton (Thompson): Madam Deputy Speaker, I welcome the opportunity to participate in the Budget Debate, because this is a debate that deals not only with a budget document but the overall economic policies of a government and also the policies in terms of priorities in the way in which not only revenue is raised in this province but in which expenditures are divided up.

In my speech today I want to deal with I think some of the amazing comments that have been put on the record by government members on this particular budget. When I say amazing I do not mean that as a compliment. I want to deal with it both in terms of this kind of global picture that some of the MLAs have tried to put forward. What is probably more important from my perspective is how it is going to impact on this province and,

particularly, on the eight communities I represent from the Thompson constituency.

I have to start with the global perspective, because I think the government is suffering from what I would call the Davos syndrome—Davos, Switzerland, Madam Deputy Speaker. We have heard much about it in this particular session of the Legislature, this great experience that the Premier (Mr. Filmon) had by going to Davos, Switzerland, and the Minister of Finance (Mr. Stefanson). We have heard repeated references both in the Premier's throne speech comments and the references of the Minister of Finance in terms of Davos, Switzerland and the World Economic Forum.

Not only that, it has even gotten as far as an article that I recently came across from the *Uniter*, the University of Winnipeg student association newspaper. Coffee talk with Gary Filmon is the title. Once again when the Premier was asked by an individual, talking about the perspective of what they would ask if they were twenty-two years old, had just graduated from the U of W and run into the Leader—and they asked the same question of the other two Leaders. Basically, the question asked was why there are now less jobs in Manitoba than when this government took office. Madam Deputy Speaker, the First Minister immediately jumped into Davos, Switzerland, and there are all sorts of references here.

What I find amazing is, I really wonder—I would have thought, given the amount of travelling the Premier has done, that he might have learned a bit about international politics, because the First Minister and then the former Finance minister came into this House and said, oh, well, all these western European leaders, these Social Democratic leaders, are saying that social democracy is dead.

An Honourable Member: I did not say that.

Mr. Ashton: Well, the Minister of Finance says that he did not say that.

An Honourable Member: I have said it many other times.

Mr. Ashton: He has said it many other times. Well, I would think that is splitting hairs, but I

would just go to April 19, 1994, and the First Minister: "I will talk, for instance, about the experiences of listening to people from Europe."

This is Davos, Switzerland, you know, the leaders, Madam Deputy Speaker. The First Minister talked about the examples of Sweden and the examples of Germany. I quote here, he said: I am not talking about the Zhirinovskys of the world. I am talking about the Social Democrats, and what they are saying at the world forums today.

Well, what Social Democrats was he talking about? Carl Bildt, the Prime Minister of Sweden. Madam Deputy Speaker, Sweden does not have a Social Democratic government. The Social Democratic party is in opposition. Carl Bildt is not a Social Democrat.

An Honourable Member: What is he?

Mr. Ashton: Well, the government is a center-right coalition, to the Minister of Finance, who perhaps did not bother to check that.

Madam Deputy Speaker, who else did the Premier (Mr. Filmon) quote in this particular speech? He talked about Germany, and he says it even here in the coffee talk with Gary Filmon—Helmut Kohl talking about predictions of 1 percent growth. Helmut Kohl is not a Social Democrat; Helmut Kohl is a right-winger.

Apart from the Willie Brandt and the Helmut Schmidt government, for the majority of the post-war period, the 1940s, the 1950s, into the 1960s, and since the election of Helmut Kohl, then West Germany and current united Germany has had a right-wing government, a Christian Democratic government.

You know, the Premier even talked about a minister from France. France, for the information of the First Minister, once again—in case the First Minister did not bother to check it, Davos, Switzerland has a right-wing government. There were just recent elections that took place.

So the ones who are criticizing social democracy are those of the same political ilk of this particular government.

You know what I find interesting, Madam Deputy Speaker, is what is happening in Europe, if one would care to look. I will take the examples of the parties that were referenced.

In Germany, they definitely have problems. They have problems that have resulted from the bringing in of East Germany into the West German system. It was the right-wing government that said they would face no difficulties in doing that. The Social Democrats took the position of saying they would. The end result has been serious economic difficulties. They are facing very little, if any, growth in that particular country. If one cares to check, Madam Deputy Speaker, everyone is predicting that the Social Democrats are going to win the next election.

It is the same thing in Sweden. Sweden will be having an election this year, and everyone is predicting, once again, that the Social Democrats are going to win.

Madam Deputy Speaker, I could talk about Great Britain, where the Labour Party is running well ahead of the Conservatives. I could talk about the recent re-election of a socialist government in Greece. But, you know, someone should talk about what is going on in Europe to these members because I think we should ask for our money back.

They go to a conference, they listen to right-wing politicians speak, they come back, and the Premier says all these Social Democrats are saying this. You know, right-wing governments say the same things pretty well in Europe as they do in North America, as do Social Democrats, as do Liberals, Madam Deputy Speaker. It has not changed. What I want to say to these members, if they want to take these big international examples, they should look at the fact that in virtually every country, including countries in eastern Europe, an interesting thing has happened.

* (1520)

Where communist systems have collapsed, what has happened is, those countries are increasingly looking at a mixed system, not a wholesale move toward raw capitalism, but what is essentially a Social Democratic approach of a mixed economy. That is what is happening in eastern Europe. It is

also happening in many other countries across the world. You know what is happening is, the decade of the 1970s and 1980s, the Thatcher decade, the Reagan decade, those years are gone. They are gone, and you can see the results in terms of the electoral process in many different countries.

But, let us take Canada, for example. What I find interesting, Madam Deputy Speaker, is essentially, there is only, what I would say, one government left that is practising the sort of the more, well, for now, milder version of the Reagan-Thatcher type of economic agenda, and it is this government in Manitoba. I say that because the Alberta government has gone headlong into a Reform Party agenda. I think one would be hard pressed to find anyone who would really seriously call the government of Alberta now a Progressive Conservative government in the traditional sense.

So there is essentially only one government left in this country that is practising this so-called oxymoron of Progressive Conservative government that for years was waving around the examples of Ronald Reagan and George Bush and Margaret Thatcher. That is what has happened in, not only the world, but in terms of Canada. In fact, if one looks at provincial governments in Canada, they are either NDP or Liberal governments. This government is essentially the only government that is left. I find it amazing, Madam Deputy Speaker, that this government now would try and run around and use this Davos, Switzerland, example, to use the words of, many of them, soon-to-be-defeated right-wing prime ministers from European countries to somehow bolster the final true Progressive Conservative government in this country.

Madam Deputy Speaker, I know that they face the next period of time with some trepidation, because the fact is the Conservative Party has not done well at the provincial level, largely—I want to get to that because that great sort of experiment of the 1980s, this unfettered right-wing Reaganomics-Margaret Thatcher type of agenda, it is just not working. It is just not working, and people are turning to other approaches. Well, let us deal with it.

What is the essence of a Conservative government philosophy here in Manitoba? What is, Madam Deputy Speaker, the bottom line? Let us take 1988 to 1994. You know, this government first came in as a minority government, then as a majority. There is some question as to whether they really have an effective majority anymore. We will be seeing in the next few weeks just how much of a majority government they really are. But I still remember the words of the Premier (Mr. Filmon) on the night of the election in 1990: a Tory is a Tory; a majority is a majority is a majority. For at least four of those six years, they have had the opportunity to treat Manitoba as something of an experiment to try out their economic policies, their economic philosophies.

What are the elements that go into that particular philosophy? Well, one of them is in terms of cost factors, as they deal with. The minimum wage is probably the best barometer.

The government has control over the minimum wage. When this government came to office in 1988, this government inherited the highest minimum wage in Canada. Since that time we have slipped to sixth. There has been only one increase in the minimum wage. Now, that has had an immediate impact on the social side. Our rate of poverty has increased from 13 to approximately 17 percent, using the low-income cut-off figures from the Stats Canada figures that are available, far more than in other provinces where minimum wages have been maintained. So they have tried that approach.

They also brought in cuts to essential services, and let us not kid ourselves. You know, when the Premier (Mr. Filmon) talks philosophically about social programs, I want to say what he is saying, what he said in a recent interview. He is saying that, and he is talking about the Europeans looking at dismantling all sorts of social programs, and some of the candidates presumably looking at including all sorts of pension and benefit programs. If people want to focus on keeping the program systems that have shown to be unsuccessful in Europe they will have to change those systems, to cut those systems, that is

essentially what the Premier is going to argue. That has been part of this government's approach, and I will deal with that, because it has been clear in terms of health care, and it has been clear in terms of education, and it has been clear in terms of other services. This government has tried to bring down the type, the level of services available to Manitobans.

Madam Deputy Speaker, there is a third part of the Conservative approach, again, and it was tried in the United States, and it was tried in Great Britain, and they like to mask it in terms of the kind of statements that the Minister of Finance (Mr. Stefanson) made in the budget. It is very interesting, because the Conservatives like to pretend that they have not increased personal taxes. Oh, you know, that is not true and I will demonstrate that today. But what they do is they make fine sounding statements about no increases in personal taxes when in fact there have been many other increases in taxes that affect individuals. But the real Conservative philosophy, as it was in the United States, as it was in Great Britain, has been to lower corporate taxes.

In fact, the main feature of this budget in taxation was in terms of tax breaks for business, a fuel tax break for railways of \$4.8 million; small-business income tax of \$3.1 million—these are all tax breaks—the manufacturing investment tax, a 3.7 percent cut; the corporate capital tax cut by 1.9 percent; sales tax exemption for mining cut by \$8.8 million; and mining tax changes totalling approximately \$1 million, a total of \$23.3 million.

Madam Deputy Speaker, the only sector in this province that received lower taxes is the corporate sector, not just through the taxes this year but through the decreases in the health and education levies—call it the payroll tax, if you want—that the Conservatives have brought in. That is part of their philosophy. It is not one of reducing overall taxes for individuals; it is one that is reducing taxes for business.

Well, how does that all fit in together? The same argument that Ronald Reagan used in the United States in the 1980s. The idea of the Conservative philosophy here was, you cut back on social

programs, you cut back on the role of government, you cut wages, you try to position yourself as a low-cost part of the global economy through those reduced wages, and what you do is provide all sorts of tax incentives—some would call them giveaways—to the corporate sector, and lo and behold, you will get all sorts of additional growth in jobs. You cut taxes. It is almost the corporate equivalent of what was called the Laffer curve in the United States: You cut taxes, and in fact, spending actually goes up; you get more growth, and overall revenue from taxes goes up.

That is the essence of their approach, and I think the current Minister of Education (Mr. Manness) typified that. I know he is one who tends to put his agenda up front. I believe the new Minister of Finance (Mr. Stefanson) is hiding behind more the PR type of phrases we see in this budget.

But you know, Madam Deputy Speaker, they have had six years of government. They have had four years with a majority government. Remember, a Tory is a Tory is a Tory. Has—[interjection] Well, right, says the member for Lakeside (Mr. Enns). Has it worked? After six years do we have higher employment in this province than we had in 1988?

An Honourable Member: Yes.

Mr. Ashton: Do we have higher employment? Someone questions, maybe we do. Madam Deputy Speaker, employment has dropped. There are fewer people working today than there were working in 1988. I know the Conservatives—[interjection] Well, the member for Interlake (Mr. Clif Evans) says they have been telling us the opposite, but you know the members opposite: Well, you cannot judge it just by comparing; when we came into government, there has been a recession, there has been a depression, I think was the word that the Minister of Finance talked about.

Madam Deputy Speaker, there have been all these global events. Well, let us accept the fact that there has been a global recession or depression. I would question how up front this government is in terms of recognizing it. For many years they did not even recognize there was a problem. I think, if you read every last budget speech from the seven

budgets they brought in, it is always coming up roses. It is always, happy days are here again. They get 10 economic statistics. They pick one that might not look all that bad, ignore the other nine and say how great things are going. Let us accept the fact that they have indeed inherited some difficulties, as have all governments, in terms of the international recession.

Well, let us look at it. What about their relative position? You know, this is the only Conservative government—let us include Alberta in a general sense, but this is the only real Conservative government left outside of the Alberta reform government. What is their record in terms of jobs? What is their record now that we are supposedly getting out of the recession? Are we leading the country in terms of employment? Do we have the lowest unemployment rate? We used to. For most of the 1980s, we were the lowest or the second lowest.

* (1530)

For the first three months of this year, we were not the lowest, we were not the second lowest, we were not the third lowest, we were not even the fourth lowest. We were fifth, an unprecedented level, Madam Deputy Speaker. We were fifth, behind every western province and indeed the province of Ontario. We were fifth. So even in relative terms, this government is failing. Even that does not account for the fact that there has been net out-migration. Since this government came to office, 47,400 Manitobans have left the province. There are fewer people working, and there are 47,400 people that have left the province.

Well, the record is not working. Let us put aside the question of jobs. I am not saying it is not the most important issue economically, it is, but let us look at other indications. In fact, if anybody wishes, I have available here a copy of the unemployment rates, Canada and the provinces, January to March 1994, which I would like to table for members of the government because perhaps they have not received this information yet.

That is jobs. Let us deal with other measures. Let us deal with investment. If this government's policies were working, you would think that there

would be some significant improvement in terms of investment. You know, you would think that. They are giving money to the corporate sector. They are keeping wages down. They are stepping up their public-relations efforts to try and make their policies look good, but you know, total capital investment by province. What was the situation, percent change in 1993-94? What was the 8 percent change in Manitoba?—zero. Only Nova Scotia and New Brunswick had a worse record in terms of lower situations.

What has the total capital investment been in this province? The last time we had any significant capital investment in this province was 1988, coincidentally the last year of the NDP government, the transition year. In 1989, it dropped by .8 percent. In 1990, it rose very slightly by 1.2 percent. In 1991, it dropped by 9.8 percent; 1992, it dropped by 2.6 percent. It went up somewhat in 1993, 2.4 percent. Now it is zero again, so there is not an increase in terms of investment.

Madam Deputy Speaker, is it just the public sector cuts in terms of investment that we are dealing with here? Well, interestingly enough, no. It is private capital investment, percent change, 1993-94 again. These are all statistics available from the Manitoba Bureau of Statistics and Stats Canada.

Where did Manitoba fall in terms of the percent change? We had the worst record in the country, minus 4.8 percent. That is in terms of investment. If one takes it one step forward and looks at growth over this year and the upcoming year, it is interesting, one looks at the Conference Board of Canada, again, but what we will find—I mean, is this experiment working?

You will find that we are faced with lower than the Canadian average rates of growth for this year and for the next year. In fact, what I find is interesting, the one bright spot in terms of growth is in the utilities section. I just want to read into the record why there is going to be growth in the utilities section: Utilities are forecast to be strong with 11.4 percent growth. Now I am sure someone

on the government's side is going to try and take credit for that.

An Honourable Member: Indeed.

Mr. Ashton: Why indeed? Indeed, the member for Niakwa (Mr. Reimer) is trying to take credit for it. You know why there is an 11.4 percent increase in the utilities sector?

It is because of the NSP power sale that was negotiated by the previous NDP government when the previous NDP government constructed the Limestone Hydro dam. This is the strongest sector of growth, the utilities sector, because of something that was negotiated and was a deal that was made by the previous NDP government—a deal, by the way, that this party when in opposition, the Conservative Party, disagreed with. They criticized it, as did the Liberals who called it lemonstone—the member for Lakeside (Mr. Enns), the then-Hydro critic, and the Leader of the Opposition. The only bright spot in terms of significant growth is something they have inherited from the previous government.

I ask you, is it working? Let us take another measure. We have talked about jobs. We have talked about investment. We have talked about growth. In all those areas the province is not even doing as well as the Canadian average in terms of growth and in terms of investment. In terms of unemployment, it is slipping, has slipped significantly.

Let us take other issues. Let us look at the fiscal situation this government is in. It is interesting because the Tories like to say that in some way, shape or form they have dealt with the fiscal situation in this province. Madam Deputy Speaker, we have gone through the former Minister of Finance trying to justify what happened in 1988. However the minister wants to analyze who is responsible for what, in 1988 there was an effective surplus. But you know what has happened since then? Has the deficit been lower than the previous NDP government? Not only has it not been lower, but in real terms we have had high deficits, including the highest deficit in the province's history.

Madam Deputy Speaker, it is interesting because the members opposite like to dismiss such criticism from members of the opposition as being just something coming from the NDP, but the former member for Rossmere was the one who pointed out the fact that if you take the real increase of the debt, which is really the measure of the deficit, this government was pedalling a figure of \$462 million. It could be argued in fact it was \$706 million or even \$862 million. The former member for Rossmere, a former member of the Treasury bench in that government, used those figures.

Madam Deputy Speaker, what tends to happen is despite what has happened, the government then says, well, that was last year, we will worry about it next year. What has their record been in terms of forecasting on the deficit? Have they been accurate? They have been nowhere close to accurate. We have demonstrated time in and time out just how inaccurate they can be. In the past two years alone, we have seen clear evidence of just how out they are, in excess of a variance of over \$300 million. So does anyone believe this government when it forecasts balanced budgets in a couple of years? I remember when the budget was being introduced by the Minister of Finance. I mean, how do you believe a government that has been so inaccurate in terms of its forecasts?

The interesting thing again, and we heard lectures from the Minister of Energy and Mines (Mr. Orchard), we heard lectures from the former Minister of Finance and lectures from the Premier about debt in this province, but this government has been increasing debt. One of the reasons, it is quite interesting, public debt has gone up from 1988, \$483.7 million to \$507 million. But the big increase in the budget has not been in that particular area; it has been because of social allowances. Social allowances have increased from 291.9 in 1988 to 516.2. The bottom line is, the big problem in this province is in terms of unemployment and in terms of welfare, Madam Deputy Speaker, so even in some of their arguments what they miss is the fact that even by

their own measures they are failing. They are failing in terms of the economics of this province.

Let us look at the impact it is having. I find it interesting that even given that fact that the government members have been coming in here with such glowing speeches about this particular budget. I mean, what is the good news in this particular budget. I am not saying there are not some initiatives that are not positive in and as of themselves or might be positive if they are implemented properly. I am not saying that. I have said that publicly. I do that on every budget. I do not believe in just criticizing a budget whether it is good or not. In fact, I even voted for one budget brought in by the then-minority government, and members will recall that, in 1989, because on balance it was a good budget and brought in many of the things that we in the New Democratic Party had talked about.

* (1540)

Let us just deal with it in that context, Madam Deputy Speaker, in terms of this particular budget, the features of the budget. The home renovation program—I think targeting home renovation is not a bad idea. It is a sector that has been hard hit. I know in my community there are construction workers who have never been unemployed who are currently unemployed. You know, I do not agree with a program that says you have to have \$5,000 to get \$1,000 in grant money and does not target particular needs. I think the government would have been far more effective in being fair to all Manitobans if it had not had that \$5,000 ceiling and also if the renovations had been targeted to such areas as improving the energy efficiency in houses rather than just general home renovations. I have said that, and I will say, the concept is not bad, but once again I think the government has shown its lack of fairness in the way it has implemented the particular program.

I want to deal now with some of the other initiatives in the budget, some of the tax breaks. You know, when I was asked about the mining tax breaks by the Thompson Citizen, the local newspaper in Thompson, I said, I want to see the reality of what is happening with the tax breaks

because we do need a competitive mining industry. In contrast with the budget document there are tough times in the mining industry. I want to deal with that in the context that one series of announcements that might have been positive, Madam Deputy Speaker, but for the complete lack of understanding of this government of what is going on.

Let us deal with what the throne speech recorded and what later the budget recorded in terms of mining. Let us see what they—Wednesday, April 20, in terms of mining, in terms of the budget. If you were to read this, Madam Deputy Speaker, about our vast and rich mineral deposits being Manitoba's great asset, and if you were to look at this mining claim and all explorations have increased dramatically, new mines are opening and the potential number of promising sites is encouraging, you would think we are facing boom days in the mining industry. I have news for members opposite. Perhaps they are not aware of this, but we are facing very tough times. HBM&S in Flin Flon has cut back, downsized by upwards of 500 employees. Inco currently is going through its second downsizing in as many years, reducing the employment at Inco by 200 jobs. We have had closures of mines in many communities, including Snow Lake and Lynn Lake. It is ironic in many cases that the mines that are talking about opening are mines that will open in communities that had the mines closed a couple of years ago.

I read with interest the comments about Williams Lake. I happened to be in contact with the company that is doing the exploration there. They were quite surprised that the minister would be pumping this up as such a great find. It is a great potential find, but it is a long way from development. It is a long, long way from development, and the minister does not do people in the province of Manitoba a favour when he goes and brings up these glowing reports. What is the reality of the mining industry, Madam Deputy Speaker? I talked about employment. It has declined. It is declining now. It is not growing, it is declining.

Let us talk about the impact in terms of the finances. To the former Minister of Finance—he would be the one that I am sure would be aware of this—how much money came in from the mining industry last year in terms of taxes and the previous year and the year before that? How much is projected to come in this time? The bottom line is, this government is projecting zero income from the mining industry in terms of mining royalties and taxes, and I am stating this in terms of those particulars—zero. Is that the booming economy we are talking about in the mining industry? No, it is not. So that is what is happening in the reality of the mining industry.

So the new Minister of Energy and Mines (Mr. Orchard) comes along and says, well, we are going to come up with some tax breaks and that is going to solve the problems of the mining industry. But the minister the other day got up in his usual rhetorical style and said, our members opposite are against jobs because of the fact that—indeed, we will be voting against this budget and specifically target the mining industry.

In my own community there are 200 jobs being eliminated and there have been very extensive negotiations between the United Steelworkers Local 6166 and the company trying to make sure that there are not actual layoffs. It will be through other means, through attrition, and I am very hopeful that indeed they will result in those 200 positions not being eliminated through direct layoffs, but we are faced with that spectre for the first time in Thompson's history. Did the minister sit down with the steelworkers and with the company and say, we are going to bring in this tax break, do not lay off workers, do not cut the employment at Inco by 200? Did he do that? No.

The minister came in and it was a windfall. He talked about the response from the mining industry; he talked about that they said they were getting plums in this budget, Madam Deputy Speaker. Well, of course. I mean, what business person, what person generally, is going to say no? You do not look a gift horse in the mouth. You do not get offered a tax break without saying thank you, but what guarantees does the Minister of

Energy and Mines have from that particular employer at Inco that there will not be the job cuts? None—two hundred jobs eliminated from the community of Thompson.

You know, it is the same thing in terms of the railway tax. Our critic, our member for Transcona (Mr. Reid), the critic for Highways and Transportation, the first thing he said, you know, here is this government bringing in a tax break of \$3.8 million to the railways. The first question he asked is: What guarantees do you have in terms of employment? None, not a single job is guaranteed by that particular tax break. In fact, in the transportation sector, according to all documents that we have, both internal documents and those that have been issued publicly, we are faced with decreased employment. This is part of the failure of this government. They have been trying the same policies now for six years. The big reduction in terms of taxes has been in terms of corporate taxes. In terms of personal charges, whether you take into account the—

An Honourable Member: We still have the highest rates in Canada.

Mr. Ashton: The former Minister of Finance (Mr. Manness) should know that he has decreased in his budgets the amount of taxes paid by the corporate sector. The bottom line is, that has been part of the failure of Canada as a country. We have some of the lowest rates of corporate taxation in the world, and yet we have some of the highest unemployment rates.

But, to the former Minister of Finance, on the personal side, we saw last year tax credits that were eliminated that were in fact a real increase in terms of the amount of taxes paid by people.

I want to go through some other areas which do not get talked about in members' speeches to show once again that individuals have been hit. Take the tax increases, also the hidden ones in particular, and some of the fees that have gone up. Appeals Commission recovery gone up—in fact, it was zero before—there is a new charge in place; Insurance Act fees, 13 percent; corporate and business fees, 26 percent; Securities fees, 27 percent; Information Resources fees, 100 percent;

Provincial Archives fees, 72 percent; Film Classification fees, 268 percent. I could continue down the list.

They have increased fees. They have cut tax credits. They expanded the impact of the sales tax. I am seeing the impact on people in my own constituency.

In Wabowden, they had many people in that community subject to property taxation for the first time because of the minimum tax imposed in the last budget. Do you know what the net revenues to the community of Wabowden were before that happened? Approximately \$18,000, because they have a small tax base in that community. What was it after the government's moves? Two thousand dollars, Madam Deputy Speaker. That is how hard it hit people in that community, a community with high rates of unemployment.

But you know, that is what has happened. The reality is that even by their own benchmarks their policies are not working. Let us look on the other side of the ledger as well, because I think one also has to look not just with the economic performance, not just how this government raises revenues or cuts, in the case of the corporate sector taxes. Let us look at what is happening in terms of the services provided by government.

Let us take health care for example. I find it amazing that both in the throne speech and the budget there was no mention of health care reform, as if they can just not say the word anymore, and the memories of the disastrous course of action taken by the former Minister of Health will then disappear.

But you know, Madam Deputy Speaker, the legacy lives on. Not only that, the policies live on. This is a different face, a different minister, there is different rhetoric, but this is the government that has cut—I am not talking about relative to the rate of inflation, I am talking that this is the government that has been cutting back in many areas in terms of health care.

It is not that there are not additional services. In some areas, mental health—I know in Thompson there is a new psychiatric ward, and I have indicated publicly that I think it is a welcome

move. It is something that this Health critic a number of years ago that I supported, probably the only thing that I can really remember supporting the then-Minister of Health, the current Minister of Energy and Mines (Mr. Orchard) on.

* (1550)

But do you know, Madam Deputy Speaker, what is happening in terms of our hospital sector? What is happening? And what is happening in terms of other programs? The hospitals are being cut by \$5 million, and it comes after \$20 million in cuts last year.

Madam Deputy Speaker, what impact is that having on hospitals? I will take the example of my own community. We used to have 100 beds. We now have 85. According to the cuts that were announced by the government in August which have been put on hold by this government at least in terms of the overall impact of those cuts, it would have decreased to 67 beds, would have impacted the emergency ward, would have impacted the intensive care unit, would have impacted every single ward in the hospital. That is one hospital, one important regional facility, the Thompson General Hospital. It is the same in The Pas. It is the same in Flin Flon. It is the same throughout the province.

In fact, Madam Deputy Speaker, now that they are implementing Bill 22 on rural hospitals it is getting worse. There are more and more impacts. But it is not just hospitals that are being cut. In fact, hospitals now could lose upwards of 1,500 positions, the two main hospitals, according to documents that we have obtained, documents released in this House.

Let us look at the other programs that are being affected. The Healthy Child Development program—was it increased as part of improving health care in this province, health care reform? It was cut by 38.6 percent. Women's Health—increased? It was cut by 9 percent. Madam Deputy Speaker, the cut last year to the Healthy Child Development Program of 61 percent has been added to, and indeed we still see the legacy of the cuts to the child dental program.

Child and Adolescent Mental Health Services were cut. Healthy Public Policy programs were cut by 7.2 percent. The Healthy Communities Development under MHSC, the funding that is available was cut by 20 percent. The Health Status Improvement Fund was cut altogether, the entire \$2 million cut. The interesting one is—the member for Gimli (Mr. Helwer), amongst other members, talked about increasing the Home Care Program. Madam Deputy Speaker, last year they cut it back by more than they increased it this year. That is what is happening in terms of Home Care. There are a whole series of other areas. Pharmacare, another good example. Even though there are increases in funds this year, it restores the level back to \$2 million less than it was in the Estimates two years ago.

So Madam Deputy Speaker, two steps back and one step forward. The bottom line here is, this government is failing.

Education, the same thing—New Careers. There were 369 people trained in 1990. Now it is cut to 250. The bottom line is this. This government set out with its ideological approach in 1988. It was up front. It has used this province as an experiment for those policies, low wages, corporate tax breaks and cuts to health and education. By any objective analysis, even by their own words, this government is failing, and that is why I will be voting against this budget.

This budget is the seventh of this government, and it is a summary of that failure. I am voting against an economic policy that sees fewer jobs in this province than there were, that sees, at the same time that there have been actual increases in public taxation, there are reduced services to health and education. I am voting, not for whatever Davos, Switzerland, and a few right-wing leaders in Europe say to the First Minister (Mr. Filmon). I am voting based on my constituents in Thompson, in Thicket Portage, in Pikwitonei, in Wabowden, in Ilford, in Split Lake, in Nelson House, in York Riding. Because of the failure of this government's economic policies, each and every one of the communities in my constituency has been hurt. They are not better off than they were in 1988.

They are a lot worse off in every dimension of public policy, from jobs to health services to education and to social services.

Madam Deputy Speaker, this government has run its course. This is the seventh budget. This is the last Conservative budget, and on Friday I will vote with pride, on behalf of my eight communities in northern Manitoba, against this government. I look forward to the election in which we will see the re-election of a New Democratic Party government that will bring back jobs and growth and health and education services.

Mrs. Shirley Render (St. Vital): Madam Deputy Speaker, if the member opposite wants to vote against, well, that is his privilege, but I am going to stand up right now and say that I am proud to be supporting this budget. I want to start off by commending our Minister of Finance (Mr. Stefanson) for bringing down the budget. The previous Minister of Finance had certainly set high standards and our new Minister of Finance has certainly met them.

I think one of the most important things that we should all note is that there has been no dramatic shift in principles. This budget is consistent with what we have been saying for the past six budgets—hold the line, no increases in major taxes. This consistency in message is important to all Manitobans and particularly to the business community. The business community has to know that this is not a government which puts its finger up in the wind and says I wonder which way the wind is blowing, and then we sway to what we think people want us to do. Not us. Since the Filmon government was elected we have been saying hold the line on taxes, hold the line on government spending, get the deficit under control. We have been consistent with our message, and that is why this year the Dominion Bond Rating Service has said that Manitoba is the most fiscally responsible province in Canada from 1987 to the present.

When I spoke to the throne speech I mentioned that this is a government that consults, and we did. We consulted before this budget was brought down, and to my knowledge the consulting that the

Minister of Finance did—this is the first time this has ever happened in this province in this manner. The Minister of Finance held six workshops in six different regions of the province, and over 500 Manitobans—I think the number was 550—attended. These Manitobans represented a huge cross section of various organizations and occupations and interests, and their input is reflected in this budget.

I was really interested when I read the moderator's report, the summary from the workshop. I found it very revealing that there were common themes from each of the workshops, and it did not seem to matter whether the workshop was a workshop that was held in Brandon or Winnipeg or Altona, Portage, Russell or Thompson, there were a couple of points that were brought out each time. They were: hold down the taxes and control government spending. Ladies and gentlemen, that is exactly what we have done. In fact, that is what we have been doing for more than seven budgets. I think it is important to note that more and more Manitobans are realizing that this is what has to happen, that this is the right way to go. We are working towards a balanced budget; we are continuing to strengthen our economic foundations. I say continue because I am sure that many of you will remember that last year the Premier released a document called Framework for Economic Growth, which laid out a 10-point economic strategy emphasizing long-term commitment to fiscal management as the foundation of economic growth.

I think it is also significant to note that in the foreword of this document, the Premier wrote, and I quote: Economic growth is not the sole objective but rather the means to several more important goals. Manitoba's ability to provide jobs, vital social services and a high quality of life can only be sustained through creation of new wealth and industry.

I am not too sure whether members opposite really believe that, because I think they think it is only government that creates wealth, it is only government that produces jobs. That is just not the case.

I just wanted to get down to some specifics in the budget. I have two children. Actually, maybe they are not children anymore. They are young adults, 19 and 24, but I do have a couple of young nieces who are just entering the school system, so education is very important to me, and I am sure it is very important to most of us here in this Chamber and to many Manitobans. I was pleased that this budget zeroed in on education initiatives. With the restructuring of our world, with the breaking down of some of their traditional boundaries, we cannot just turn inward and think that Manitoba is just a province unto itself, because our children are going to be tossed out into a very highly competitive labour market, and they have to be ready.

Therefore, we have placed a very strong emphasis on refocussing the education and training systems. We are including more money for community colleges. We are expanding distance education services, and we are revitalizing the apprenticeship training. Specifically, the community colleges will receive a 3.3 percent increase to help them provide enhanced technical and skills training.

I happen to be a university graduate, and I think our universities here in the province are fine universities, but I can remember leaving high school that the emphasis was on a university degree. Somehow or other parents and teachers did not seem to point you in the direction of the technical schools. Ladies and gentlemen, in this day and age, with what is happening in the world, with the advances in the aerospace industry and the telecommunications and information world and the computer area, we do not just need engineers and university-degree people. We need people with a different kind of training. Our community colleges have to be ready to provide that kind of training.

* (1600)

I mentioned apprenticeship training. There will be an additional \$300,000 injected into this area, initiatives to design and refocus; the K-12 education system will receive \$2.25 million in additional funding—

Some Honourable Members: Oh, oh.

Madam Deputy Speaker: Order, please.

Mrs. Render: —enhanced curriculum development to help equip students with a higher standard of skills, that will receive an extra \$650,000; a library linkages project will receive \$80,000 to provide for more efficient sharing of information and resources in school libraries—

Some Honourable Members: Oh, oh.

Madam Deputy Speaker: Order, please.

Mrs. Render: —which includes access for all students. Of course, this is the day and age of computers; \$150,000 more will be pumped into computer course materials for classrooms.

Health care, all of us are affected by what is happening in health care. It does not matter whether we are just a new-born babe or a senior, health care is something that we all want. Of course, health care is what makes Canada the envy of so many other countries.

Here are some of the things that we are doing in the 1994 budget: an additional \$2.6 million for Home Care. I think if my memory is correct, when we came to government there was some \$38 million in Home Care. It was up to \$69 million before this budget, and now another \$2.6 million for Home Care.

Another \$500,000 more for Support Services to Seniors. I think most of us are aware that this province has a great many seniors. Not every senior migrates to B.C. We have these blue skies and sunshine here and our seniors like to stay here. We have to make sure that we have services in place for them.

We will also be introducing regulated midwifery services. The enhancement of breast and cervical cancer screening programs is something else that is coming on stream. Also \$2.4 million more into dialysis treatment to bring the dialysis treatment closer to home. I had a friend whose daughter lost a kidney, and I can remember the agony and the trauma that both the mother and the daughter went through trying to get the dialysis treatment needed and the kidney transplant, so I know this is a program that will be very dear to their hearts.

Of course, the establishment of Manitoba's first lung transplant pilot program. Something that we have all been waiting for is the new Drug Program Information Network, the DPIN service system and an additional \$5.6 million for Pharmacare. This DPIN system will help prevent adverse drug reactions and overprescribing, something that pharmacists have told us has been happening and, of course, will provide automated Pharmacare benefits processing so people do not have to wait for their refunds.

I think it is important to note, too, that there is another \$4.3 million more going into community-based mental health services and an increase in adult daycare spaces.

I have just mentioned some of the things that are happening here in this budget, but I think it is very clear that the emphasis is on promoting wellness and in keeping people in the community rather than in institutions. All told, some \$1.85 billion is being directed into health measures.

This budget is also placing an emphasis on gearing to make those people who are on social allowances more self-reliant rather than fostering that dependency to stay on welfare. That is why a priority will be maintained on providing social assistance where it is really needed, and Welfare to Work and skills upgrading initiatives are also being emphasized.

This was something else that was also mentioned in the workshops that the Minister of Finance (Mr. Stefanson) held. In fact, I think it was the workshop that was held in Thompson, and I will just quote from the summary: The people in Thompson said to the Minister of Finance, we want you to encourage social assistance recipients to re-enter the workforce through incentive grants. We want welfare programs to be examined to encourage production in society, and we want community-based preventive medicine. We want incentives for low-income families to work towards sustainable income, and we want able-bodied people to work for social assistance. This is what some of the people in Thompson said to the Minister of Finance.

I was also pleased to see that there was \$2.5 million put in for front-end preventative services to try to reduce the number of children being admitted to care, and another \$4.5 million put in for Community Living and Vocational Rehabilitation Programs to help disabled children and mentally disabled adults.

What all this adds up to is some 64 percent of the budget being dedicated to Education and Training, Health Care, and Family Services. This is a huge amount that is going into these three areas. I think what makes it so remarkable is that the government is doing this and also maintaining the freeze on major taxes, and that freeze is on for the seventh consecutive year.

Now I have done a lot of walking in my constituency of St. Vital, and I have come across many small businesses, and I think most of us know how important small business is to our economy. To help small business we have done a number of things, such as extending the Business Start Program for another two years, and incidentally this extension will create over 300 jobs and 110 new businesses in each year of the program.

We will also be bringing in a five-year pilot program. This is called the small business expansion program to provide expansion capital for small businesses in the service and manufacturing sectors. In addition, the small business capital tax exemption will be doubled to \$2 million resulting in 600 fewer small business paying the tax. The small business corporation income tax will be cut from 10 percent to 9.5 percent for 1994, and down to 9 percent in 1995.

Other tax breaks will help other sectors. For instance, the reduction of 3.15 cents per litre will be phased in for railway fuel tax and we all know that this province was built on our transportation industry, so whether it is rail, whether it is trucking, whether it is aircraft, we have to make sure that we remain competitive.

The sales tax on electricity used in mining and manufacturing will be phased out. I thought it was interesting that just two days after the budget came down the Free Press put out an article and here is

the headline from the April 22 paper: Budget bonanza for business. Hudson Bay Mining and Smelting Company Vice-President Dale Powell admits he was worried as he waited for the provincial government to hand down its latest budget, but the article goes on to say his worrying was all for naught, Powell added, because the Filmon government delivered plums instead of bombs, as far as the provincial mining industry is concerned. Powell said there were a number of new tax breaks and incentives in the budget that could have a positive impact on Hudson Bay Mining and Smelting operations.

Of course, for the mining industry, the biggest budget plum appears to be the province's decision to phase out the provincial sales tax on electricity used in mining and manufacturing and at Hudson Bay. Of course, other big consumers of electricity are Inco in Thompson. So they, too, will be benefactors.

Now, there is also \$205 million for the Canada-Manitoba Infrastructure Works Program. In my remarks on the throne speech, I mentioned that Glenlawn Collegiate in the St. Vital constituency was one of the recipients of the go for that. Of course, this will be a plus not just for the school, but for the community at large.

* (1610)

I was very pleased to see the Community Places Program back in gear. Of course, \$4.5 million from lottery revenues has been injected into that. Just in St. Vital, we have the south family Y, that has benefited in the past from the Community Places Program. The Windsor community centre had a very, very old community centre that was literally falling down among the residents there and they, through the Community Places grant, were able to build a new community centre. So the Community Places Program is back in, and I think that is just excellent.

I think I am just going to finish off and sort of talk a wee bit just on our philosophy. Of course, our philosophy is that fiscal management is the underlying foundation of our strategy for future economic growth, because fiscal management builds the foundation for prosperity.

Now, members opposite like to talk about when they were in power and what they did or did not do, but I think their memories are a little flawed, because most of our current economic difficulty was caused not just by the recent recession, but by the excessive and inflationary spending of the 1980s. So when we came on stream in 1988, our aim was to restore a competitive tax environment, because that is absolutely fundamental to business and investor confidence and, most importantly, to job creation because it is from the private sector where the large majority of our long-term jobs will be created.

Achieving a competitive tax environment is why we have not raised our major taxes once, not once. No other government in Canada, as far as we know, in fact, as far as we know in all of North America, can say that it has frozen all major taxes for six consecutive budgets.

Manitoba has the second lowest sales tax in Canada next to Alberta, which has no provincial sales tax yet. As well, the payroll tax has been eliminated for over 90 percent of taxable Manitoba businesses.

The member opposite from Thompson about 20 minutes ago said that our corporate income taxes were low. Unfortunately, I have to disagree with him. Manitoba corporate income taxes and capital taxes are still among the highest in Canada, but we did not raise them. The bottom line is that we have worked hard to improve our competitive tax position, and were it not for our seven consecutive years of provincial tax freezes the personal disposable income of all Manitobans would have been lowered. We believe in holding the line on taxes, because we believe that Manitobans should be able to make the choices on how much of their hard-earned money they have in their pockets to spend, to save or to invest to create jobs.

The member opposite also said that we are a failure. What have we done? Well, I just happened to bring with me a magazine called Manitoba Means Business. The very first page talks about CalWest Textiles hits the ground running, Monsanto locates in Morden, \$50-million manufacturing plant, Ayerst Organics. This

magazine is some 73 pages. I do not have time to go through and mention all the good things that are happening here in Manitoba.

I will just simply finish off by saying, the member opposite may say that we failed, but here is another Free Press clipping with the headline, Manitoba government tops in national approval survey. The Filmon administration still has the highest approval rating of any provincial government. Sixty-one percent of Manitobans are satisfied with Tories.

Ladies and gentlemen, I am in support of this budget. Thank you very much.

Ms. Rosann Wowchuk (Swan River): Madam Deputy Speaker, I welcome the opportunity to make my comments about this budget, but before I begin on the budget I would like to correct the record as a few speakers from the government side have indicated that they have held this consultation process to listen to the people of Manitoba and this is the first time that this has been done. That in fact is not true because it has been done.

When Vic Schroeder was Minister of Finance he consulted and he travelled throughout rural Manitoba. Eugene Kostyra travelled throughout rural Manitoba and the city and listened to what people were saying and brought forward a budget that those people supported. It was good for the people of Manitoba as well, so to indicate that this is the first time that people have been consulted in this budgetary process is not true. In fact, when we were in government we consulted much more broadly than this government did and listened to a much broader range of people than this government has chosen to listen to, Madam Deputy Speaker.

There are a few areas of the budget that I would like to comment about. I would like to, in particular, look at the area of agriculture, which is my critic area, and other areas that relate to rural Manitoba which I am very interested in.

The government says in their budget statement that agriculture is the mainstay of the Manitoba economy and a major priority for our province. I do believe that agriculture is very important to this province and something that has to be looked at

very closely, but I believe that there are things that this government could be doing with regard to agriculture that they are not doing.

They talk about focussing their attention on the agrifood and exporting opportunities for the agriculture industry. It is true that we have to look at ways of diversifying the economy of rural Manitoba and getting valued-added jobs from the products that we produce in rural Manitoba, but although the government says that they are focussing on agrifood processing and export opportunities, when we look at the budget, we do not see any increase in that area. I would have expected that the government would have added money into the agriculture budget to do research and market development, but instead, those areas have been decreased. I think that it is a bit misleading to say that they are interested in developing those areas when they have not increased the budget to the extent that they should.

We have certainly seen an increase in beef production and hog production in this province, and we should be looking at ways, and I hope that the government is looking at ways, that we can get those value-added jobs. At the present time, although we slaughter a large number of the hogs here in Manitoba, we should be looking at developing markets where we can get the secondary jobs, the job of processing these products. I think the same thing applies to grains and other products that we produce.

We have the whole controversy with the discussion on durum wheat right now. We have the wheat shipped into the United States and are being harassed, our producers are being harassed, by the states just across the border, because they think we are flooding their market when in fact we are just filling a need in that market. Also, many of the products that are produced there from our durum wheat, such as pastas and baked products, end up being shipped back into Manitoba and into Canada.

* (1620)

We should be looking at ways to enhance our development in those areas, ways in which we can perhaps again get some value-added jobs and get

some businesses and jobs going in those industries. This government talks about their interest in jobs. Finally, they recognize that we have to have some job creation in this province. There are opportunities for them to do that, but to do that, you have to have the research done, the market research done and supports there for business to establish. Certainly, we have not seen that happening from this government. In fact, I believe that we had one biscuit company here in Winnipeg that was using products from the agriculture sector; that business is now shut down and we are importing those products. So there is work that the government could be doing that would certainly create some value-added jobs using the products that are produced within the agriculture community and enhance the economy of the province.

I asked the minister today about where we were going with the replacements for the Gross Revenue Insurance program, and I still would hope that he would tell us and provide us with some proposals that his committee is putting forward as to what kind of replacement programs we should have that they are looking at developing to replace GRIP. Even though it has been extended beyond the expiry date, I think they must have some idea of what kind of program they are developing, and I would look forward to hearing that. As I had indicated in Question Period today, other provinces have developed programs, and I would hope that Manitoba has one soon.

When they are looking at that program I would hope that the minister would address the concerns that were raised with the present Gross Revenue Insurance program. True, the program has helped farmers tremendously, but there are flaws with the program, and when you are looking at designing a new program those flaws should be addressed.

(Mr. Speaker in the Chair)

Again, we had suggested previously, and I would hope that the committee that the minister has in place would address the concern of the cost of production, what it costs to produce crops, the targeting of payments and those type of things that are inequities in the present program.

So, Mr. Speaker, I would hope that the Minister of Agriculture (Mr. Enns) will be able to provide us or in fact invite us to participate in the meeting at least as observers when they are discussing the farm support programs that he mentioned in Question Period today. I would very much like to hear what direction this government is taking, because certainly there are problems.

I just want to say that, you know, the government has extended the deadline for GRIP, and I think it would have been much better had they had a new program in place rather than to have this one extended. What is going to result is farmers are going to have to be paying quite a high premium for the next couple of years and their return is going to be very low because of the sliding average formula that was used in designing the program. The farming community is going to have to pay out some fairly hefty premiums and get very little in return. I think that it would have been much better to have a new program designed and in place for 1996 rather than extending the date. That is, I believe, an error on the part of the minister and it is lack of direction on the part of the department not having a new program put in place. So there is an error, and I hope that the minister will share very soon what he is proposing with the future safety-net programs, and that when he is considering those programs, he will give his committee the direction to review those areas that have caused farmers concern with the present program.

In particular, I think this government continues to talk about lack of revenue and that is why, if there is a shortage of revenue, the government should consider capping the amount of money that can go to each farm. I think that is a fair way to consider it, because they always talk about shortage of funds, so let us target that program. We believe in the family farm. We want to see people stay in rural Manitoba. Perhaps the program could be targeted to a larger number of people and capped at the top end so we do not see huge amounts of dollars going to very large operations.

With respect to the transportation and the change to the method of payment, I think that we

can say, quite proudly, that we were right and they were wrong. In fact, right along, when we heard about the proposed change to the method of payment, we said, this is not going to be good for Manitoba. The majority of Manitoba farmers said that changing the method of payment was not going to be good. That is what the reports coming out right now are saying. We still do not have any real direction from this government as to what they are going to do. They are going to wait for the federal government, the federal Liberal government, which sped up the change to the method of payment and has now put out a document that indicates Manitoba will be a loser, will certainly hurt Manitobans.

I hope that we will see this government show some real leadership with regard to diversifying. As their statements say, they want to see agrifood processing and export opportunities enhanced. I hope they will take that leadership because certainly that is something that we have to address. We have products that are produced here. We should be having the jobs here, rather than shipping out the raw material as we do with many other products. We should have the value-added jobs here.

There are a few other areas I want to start to talk about specifically, but I guess I am disappointed that all of the budgets that relate to rural Manitoba are cut. The budget for Agriculture has been reduced by 4.5 percent; Rural Development, a decrease in budget of 3.4 percent; Natural Resources, and I am sure the Minister of Natural Resources (Mr. Driedger) is quite disappointed to have his budget reduced by 4.6 percent.

One of the biggest disappointments is the Northern Affairs budget. The day the budget was presented I had representatives from my community here from Northern Affairs communities, and I have to tell you that they were very disappointed in this government, because they had hoped that since their budget had been frozen for a couple of years that this would be their year, and they would have some of the promises fulfilled that the Northern Affairs department had promised to them. Instead there was a cut of 4.5

percent. Indeed, Northern Affairs communities, having first been disappointed that their programs were not given very serious consideration under the infrastructure program, had a second disappointment from this government when their budget was cut.

We will see how that plays out when we get out to the community. I have not had the opportunity to visit those communities since the budget was brought in, but certainly I will be visiting them soon and discussing with them some of their concerns.

Mr. Speaker, the government, in many of the speeches we heard about their concerns for small business and the good things they have done for small business. I want to remind the members opposite that there are many, many small businesses that they seemed to not consider in this budget.

You know, the fishermen in rural Manitoba and the fishermen on Lake Winnipegosis are small-business people. I do not see where any of these tax breaks will have helped these fishermen.

In fact, these fishermen are in a desperate situation. They have met with the Minister of Natural Resources (Mr. Driedger) to have their concerns addressed. I have raised their concerns many times but they seem to fall on the deaf ears of this government.

I just do not understand how that group of people, who do run businesses and do create jobs, seem to be ignored by this government. It just seems that their tax breaks and their incentives are for a particular group of small-business people and it is certainly not the people, such as the people on the lakes, the fishermen who are trying to make a living.

People who are having problems repaying their loans, people who are having trouble making enough money to be able to collect unemployment insurance in the off season because the stocks in the lakes are so poor, but yet this government does not seem to recognize the people in that business are small-business people, which in fact they really are.

* (1630)

The other people that are small-business people are people who make a living from logging, and we have discussed this matter many times. I hope that the Minister of Natural Resources will also recognize that these small-business people do create jobs. In fact, in my constituency, they create some 80 to 100 jobs, but again their livelihood is at stake and their future is at stake by some of the decisions that this government made, first of all with the permits that they require to cut their wood.

Quite frankly, this government made a heck of a mess on that. They are still trying to work their way through it, but they have certainly created a lot of uncertainty for the loggers in the area. Again, small-business people who contribute to the economy, but a group of small-business people that is ignored by this government, and I hope not ignored for a much longer time, that the minister will recognize that these people do have much to contribute to the economy. In particular, the people that I speak about are from the Swan River community, and I hope that he will address their concerns so that they can continue on in the way of life that they have for many years now.

Another group of people that this government has ignored, relating to the same issue as far as logging goes, are the bands. There are a few bands in the area who feel very uncertain as to the activities of this government and lack of communication from this government when it comes to seeing how they will fit into the scene as far as the logging and the harvesting of resources.

We have raised the matter with the Minister responsible for Native Affairs (Mr. Praznik), but he chooses to ignore that whole issue. I quite frankly find that very disappointing because these are people that want to have jobs, want to be able to make a living, but they are not getting any support from the government. This government has shown very little leadership in that area, Mr. Speaker.

I would hope that when the government talks about supports for small business—they talk about the supports and the tax breaks that they have given the mining industry. Good, they have given

breaks to the mining industry. That is fine. If that is their way of getting the economy going, that is fine. But again, in those areas they did not get any guarantees for jobs. Just as they gave a tax break for the railway, they did not get any guarantees for jobs.

If you talk about jobs, if that is the theme of this budget, then I think that the government should have taken the initiative to show leadership there and get some guarantees in those areas. I know that there are jobs—people who work in the railway industry repairing tracks in my area have gotten their layoff notices, and I would hope that is going to be addressed.

I think that the government should also have looked at not only giving a tax break to the mining companies and the railway companies, but they should have also looked at ways that they could have ensured that Manitobans who are working in those areas would be guaranteed jobs. I feel the same way, as I say, with the railways.

With regard to the railway, I hope that we will hear some positive news from this government, that they will work to have the Cowan subline, which the railway is presently trying to close—CN has applied to have the grain dependency taken off that line. That line is going to be very important. The service is missed by the people that live in the area now and, because of the proposed development, we need that line to be reopened, and I hope that we can count on this government. I have talked to the Minister of Highways (Mr. Findlay) about this, and I hope that we can count on this government to ensure that the line is reopened in its full length rather than just in sections of it so that all people along the line can benefit from the service.

Mr. Speaker, there is one area that I have not touched on and that is the housing project, the home repair program, and I want to say that when I heard about this announcement, it sounded like a good announcement. It is a good way to get the building industry going and get much needed home repairs in place. But when I talked to people in my constituency, there is a concern with the program in that there are many people in my

constituency who cannot afford \$5,000 to repair a home. Unfortunately—

An Honourable Member: Can they afford higher taxes?

Ms. Wowchuk: No, they cannot afford the higher taxes that you have implemented, and you think that you have not been increasing taxes? There is more offloading of taxes by you than by any other government.

Mr. Speaker, with regard to the housing program, the government members across the way want to imply to the public that they have not increased taxes. Well, they can chirp from their benches all they want, but the public knows. The public knows how much more they are paying in taxes to this government, directly or indirectly, than they were paying before this government came into office. I want to just outline a few of them.

In the Department of Natural Resources there has been an increase of 37 percent in fees collected; under the Status of Women department there has been a 100 percent increase in collection; Public Trustee's fees, an increase of 21 percent; the Remand Centre cost recovery, 100 percent increase; individual income tax increases, 21 percent; gasoline tax increase, 20 percent; retail sales tax, 4 percent; environment tax, 4800 percent increase. This government has increased many, many taxes and offloaded many costs.

When people are doing their income tax there is a difference. They are paying more money. When people go to the parks they are paying more money. So this government can preach all they want that they have not increased taxes, Mr. Speaker, but they have and the general public knows about it, and they do not believe a word from them when they say that they are not increasing. They know. They know when they go to pay that park fee that there is more money that they have to pay. They know when they go to have different tests done that there is more that they have to pay. Senior citizens know, or people who are in need of health care services, who are having to pick up extra costs, know that this government has offloaded and reduced services in many, many

areas. They know that the quality of education under this government is not what it was, and this government is cutting back in areas where they should not be cutting back.

Although they say that they are spreading out the load, they are creating great inequities in education. They are making it much more difficult for those people who do not have the opportunity to get an education to get an education. So this government is increasing costs. They are making life more difficult for the people of Manitoba. They are creating inequities in our societies, where those who have will continue to get an education, those who have the funds will continue to get health care services, and those who have not will continue to fall behind. The margin of disparity will increase greatly under this government.

Mr. Speaker, when I was interrupted, I was speaking about the housing program. I want to again reiterate, what some of the constituents have said is that this housing program is not good for them because they do not have the money. So I think you know the government should take that little bit of advice and should consider that there are many people who do not have those kind of funds. For the people that have money, yes, it is a good program, but we have to be considering the fact that there are people that do not have that kind of money and will not be able to participate in the program, and they do need home repairs.

* (1640)

With regard to the new homeowners program, again, the tax break to those people who can afford a new home, it is a good program, but again, when you look at rural Manitoba, many first-time homeowners do not buy new homes. They buy a secondhand home, and the program is for new homes. So I think that members from the rural area should look at that. If it is for new homes, you know that when many people are starting up farming, they end up buying a house that is already on the farm, and there is no opportunity for them to take advantage.

So, yes, for those people who can afford a new home, it is good, but for those people who cannot afford a new home, it is unfair, because if we are

helping people get established, we should be helping all people get established. If we are helping people repair a home, we should be helping all people. If the government wanted to put a ceiling on of a thousand dollars—[interjection] No, I will not be voting for this budget. If the government wanted to help people, they should have looked at how—if they wanted a thousand dollar cap, then they should have looked at 20 percent, up to a thousand dollars, and that would have given the opportunity for those people, Mr. Speaker, who can only afford a thousand dollars to still be able to take the opportunity to get some of their home repaired.

I have checked with my constituents. My constituents have said for some of them it will be a good program, but for some of them they do not have \$5,000 and they will never be able to access the program. [interjection]

There are areas of the budget that are interesting to members of my constituency, but on the whole my constituents do not find this to be a good budget. [interjection]

The member says will we be better off to cancel the program. He was not listening to what I said. I never said cancel the program. I said I think that you should go back to the drawing board and reconsider ways to have all people access it, and perhaps you could prorate the program so those people who do not have the opportunity to participate will have the opportunity. That would be much fairer than what this government is doing, Mr. Speaker.

Hon. Linda McIntosh (Minister of Urban Affairs): You do not listen to the answer given. Eric answered that question for you in the House the other day.

Ms. Wowchuk: I think the member for Assiniboia back there wants to have the floor, but if she will wait she will have her turn. It is my turn to speak on the budget right now.

Point of Order

Mrs. McIntosh: On a point of order, Mr. Speaker, the member for Swan River (Ms. Wowchuk)

indicated that perhaps I might like to speak now. If it is in order, I would.

Mr. Speaker: That is not a cause for a point of order. The honourable member does not have a point of order.

* * *

Mr. Speaker: The honourable member for Swan River still has 10 minutes and 45 seconds remaining.

Ms. Wowchuk: Mr. Speaker, what I said to the member for Assiniboia was that she had used up her time on the budget; this was my time.

The government seems to be a little bit sensitive about this program. They want advice, and I am telling them that this could be a good program if they would prorate it and make it more accessible to the many people that want it. This government chooses to tailor programs to those people who they think will vote for them. They will not look at the poor people in this province. I have many poor people in my constituency, people in the farming communities who cannot afford this program, people in the native communities and people right in the community of Swan River, in Mafeking, in Bowsman and in all the communities who cannot afford this program because they do not have that much money.

The other area that I want to touch on before I close is on the video lottery terminals. From this budget, the only place the government looks at where they can create revenue is from the video lottery terminals. In fact, Mr. Speaker, this looks like one of those bingo budgets where everything that you put in you just raise it through gambling.

The one part of the video lottery terminals that I am disappointed in is the promise this government made when they first introduced video lottery terminals. They said that the revenues raised from rural Manitoba would be invested back in rural Manitoba for economic development and that has not happened. They have not invested that money back in rural Manitoba where they took it from. They are not putting the money back into the addiction problems that are out there that people are facing because of this.

This government has created some real problems with their video lottery terminals. They have broken their promise on where they are putting the money back and they are not addressing the problems that they have created. There are real problems in families, in particular for women and children who are suffering because of the amount of money that is being drained out of their family income to put into those silly slot machines.

It is a big mistake on the part of this government and they should seriously review what they are doing with these machines and what the impacts of these machines are on rural Manitoba and on all of Manitoba before they expand anything. They should really consider whether these machines are good for rural Manitoba or for all of Manitoba and whether they should stay in the system or whether they should be pulled out. This government has to look at that. There is a lot of money being created and it is a real cash cow for this government, but they are not looking at the real problems.

That is the advice I give this government. Look at those video lottery terminals, see whether they are really good and whether in fact that is something that should be removed or reduced, but do something about them and do not look at them just as a source of revenue. They are creating problems and those problems have to be addressed. I hope that the government will do that.

Mr. Speaker, I would just like to close, again, with one area that I have not mentioned. Going back to agriculture, the one disappointment that I do have in this budget is the fact that the government has not put money into the rural stress line. The rural stress line is supported by farm groups, business people, grain companies. Everybody recognizes that there is a need to improve the services in rural Manitoba, everybody except the Conservatives.

Mr. Speaker, I know why they do not want to put money in for the rural stress line. This government is trying to paint a picture that everything is rosy out there and farmers are all happy and there is no problem in rural Manitoba and everything is good. If they put money into the stress line, they are

admitting that there is a problem and they are trying to create an image that everything is good. That is not true.

The government is making a mistake, because they are not treating people fairly in the rural areas. They are not treating them fairly. There is a need to improve the services, and the members across the way from rural Manitoba know that we are having a declining population. We are having a reduction of services. Farmers are struggling. Certain sectors of the farming economy are doing good right now, but many parts of the farming economy are suffering. People in rural communities are losing services, and one thing the government could do is put the supports in for rural Manitoba under the stress line.

They have failed rural Manitobans, and I am disappointed that they have not addressed that concern that has been raised by so many groups. Keystone Agricultural Producers, Farmers' Union, Pool, Women's Institute—all of those people have recognized that there is a need for a stress line in rural Manitoba, and these people will not address that. I am disappointed, and that is one area where I had expected that we would see supports for rural Manitobans to enhance the services.

* (1650)

So, Mr. Speaker, I hope that the government will move quickly and put in place more research so that we can have value-added jobs from the agriculture industry. I hope that the government will recognize the many resources that we have in rural Manitoba that can be harvested, and we can have value-added jobs from them if they are done properly.

Hon. Donald Orchard (Minister of Energy and Mines): You will not allow trees to be harvested. You are against Louisiana Pacific.

Ms. Wowchuk: Again, let me correct the record for the member for Pembina (Mr. Orchard) who wants to bring Louisiana Pacific into the discussion. I await the day for Louisiana Pacific to file their proposal so that we can get on with the public hearings and the environmental review on the project, so that if it is done right we can have jobs in the Swan River area. But the longer this

government and the company drag their feet in getting that proposal done and out, the longer we will have to wait to see whether or not that proposal will go forward.

Certainly this government has not helped the people of the Swan River area by stirring up the hysteria that they have about the project. This government has not done the people of Swan River any justice in the way they are handling it. I would hope that this government would encourage the company to put their proposal forward, carry on with the environmental review, put in place guidelines that will result in sustainable harvest of the forest, put in place guidelines that will protect the environment, put in place the regulations that will ensure that we do not have pollution in the air. There are people living very close to the plant.

The Minister of Environment (Mr. Cummings) said that this government would put in place regulations that would—has promised us regulations that will result in the state-of-the-art plant. I look forward for the proposal to be filed to see what the company is saying, what they are planning, and I look forward to seeing the guidelines. I wish that the Minister of Environment would provide us with some of that information now so that we could look at what is being proposed.

All in all, when I look at this budget there are disappointments in it. It is not addressing the many concerns. Although the government talks about jobs and jobs and jobs, they are not going to be creating many jobs here. They have not done well for the people of rural Manitoba, and I will be voting against this budget. Thank you, Mr. Speaker.

Hon. James McCrae (Minister of Health): Mr. Speaker, it is a pleasure for me to rise and discuss what has been characterized by many Manitobans as potentially the best budget ever brought forward in the history of this province.

It is a pleasure for me to speak in such a debate and to be part of a Legislature that has the privilege of passing judgment on such a budget as the one brought forward on April 20 by my colleague the Minister of Finance (Mr. Stefanson).

It is a tribute, of course, to the Minister of Finance that he has put together, with the assistance of his colleagues in the government, a budget which will be to the benefit of Manitobans today and for a long time to come.

It is also a credit to our colleague the honourable member for Morris, who is now the Minister of Education and Training (Mr. Manness), who, for so many years and for so many budgets, carefully laid a groundwork, a consistent framework, a consistent plan so that when it came time to deliver budget No. 7 for this government, my colleague the member for Kirkfield Park and Minister of Finance (Mr. Stefanson) was able to bring in a budget of the kind that he brought in on April 20, a budget that looks very much to the future, a budget that has a very clear vision of the future and an acknowledgement of where we are at today and a budget that builds on strengths already built into the economy in Manitoba.

I will be very surprised, Mr. Speaker, if the vote on the budget of 1994 in Manitoba is not unanimous. I will be very surprised. I should not say that, because I am realistic. I know that there may be some negative comment about it along the way, and perhaps there will be those who for whatever reasons see fit to vote against the budget.

I guess part of the reason for having a debate is to try to put forward in as reasoned a way as you can why we should be asking honourable members of this House to come together and join with other Manitobans in supporting something for a change, supporting something good, supporting something positive and making a positive statement about ourselves as Manitobans and to try to remove all the partisanship if we can. I know for some it is harder than it is for others to do that, and so I have no illusions about that.

I speak well of this budget because I represent the constituency of Brandon West. I speak well of this budget because I speak for the Department of Health in the Province of Manitoba. I speak well of this budget because, by extension, as a member of the government of Manitoba I speak for all Manitobans and say to my colleague the Minister of Finance that if he does not find support from the

benches opposite he will certainly find support from rank-and-file Manitobans in every corner of this province.

I would just like to say a word about my colleague the Minister of Finance. Since the two of us got our new jobs, we have worked more closely than we ever had previously. It has been a pleasure to work with a person who is so committed to the betterment of his fellow citizens here in the province of Manitoba and to the betterment of humanity, whose eye is definitely to the future, who cares deeply about the next generation, who cares deeply about the present generation. It is a pleasure to work with somebody like that and to work so closely and so often on so many issues. It has been quite a pleasure, because we do not just deal with all the easy issues, the Minister of Finance (Mr. Stefanson) and myself. We have occasion to deal with the odd issue that comes along that is indeed far from it. I have found the minister to be patient with me in all of my urgings and fair minded. That is a very high compliment, and I mean it sincerely.

Mr. Speaker, I also know that there will be many more budgets brought forward by this minister, so you can understand why I would say all those things. Representing a constituency like Brandon West, one naturally has to have an eye to the development of its small business sector and the medium-sized business sector and, by whatever measurements, maybe perhaps the larger business sector as well. I am so happy that this budget has put forward initiatives that will indeed go very far toward developing the economy of Brandon West, developing of our whole province.

Certainly, operations like Canadian Oxy or Ayerst Organics or the Simplot Chemical Company, none of those are in Brandon West; they are just across the way in Brandon East, in the constituency of my friend and colleague from Brandon East (Mr. Leonard Evans), but the economy of Brandon West and the people who live there are very much dependent on continued viability and growth, in fact, at companies like the three that I have mentioned. Of course, we need to see continuing expansion in Brandon and in

Manitoba—but certainly in Brandon—of operations like the ones I have mentioned but also new ones, such as GWE.

GWE is an important telemarketing addition to the business community in Brandon. It is going to put many, many people to work, and we owe it to those people who have an opportunity to work to support ventures like that and not to do anything that would cast any aspersions or negative comments on the possible entry into our business community of a company like GWE, because they do bring job opportunities for people.

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

Certainly we owe it to organizations like Ayerst Organics and the people of Brandon and Manitoba and the world to do the right thing, and I think the right thing is to support industry that puts people to work, to support industry that brings relief to who knows how many women around the world, and to contribute to the quality of our lives here in Manitoba. We owe our support to that, and as members of this Legislature, we owe it to our constituents in Brandon East and in Brandon West to speak out loudly and clearly against anybody who would threaten the operations of a corporation like Ayerst Organics. We are very pleased to have Ayerst Organics operating in Brandon and expanding its operation.

* (1700)

Companies expand operations in places where the economic climate is conducive to doing that, and we have a rather long list in Manitoba of companies who are expanding their operations. Why are they doing that? They are doing it because the climate has been changed for the better in Manitoba over the last six years, and also they are doing it because there is some assurance that climate is going to remain stable and positive for investment and for development.

I remember an expression used years ago in the House of Commons. Maybe it was used by others as well, but certainly Joe Clark, the Right Honourable Joe Clark, at one time said that business and industrial development requires a climate where the rules are not changed in the

I think of the National Energy Program, and I think of the performance of governments elsewhere but also in the province of Manitoba in the early- and mid-80s that had the tendency to make the corporate sector believe that they were not welcome here, things like the payroll tax, things like labour laws which were definitely slanted against expansion and growth, things like the operation of agencies like the Workers Compensation Board that over and over, back in those days when I was in opposition, I would hear from people in the private sector complaining bitterly about the treatment they were being given by the government of the day.

Well, that government was replaced, Mr. Acting Speaker, and for seven budgets now we have been consistent in Manitoba in our approach to the creation of a climate for the creation of jobs. Yes, this budget makes government a partner in the generation, and sometimes the creation, but the generation of jobs. Many, many jobs will be created as a direct result of this budget.

My office in Brandon has received numerous calls already, as have the offices of many honourable members in this place, I am sure, about the new home renovation program.

You know, it does not surprise me that New Democrats would try to find some angle about a program like that that they would like to paint as negative, to bring some kind of discredit on a program that many, many, potentially thousands of Manitobans are going to appreciate very much.

It is going to improve their quality of life in their home. It is going to put people to work helping to improve that quality of life and, in general, it is going to contribute to our tax base and it is going to make life in Manitoba somewhat better. [interjection]

Just for the benefit of the honourable member for Flin Flon (Mr. Storie), I will explain to him a little problem I have. It is inherited and I do not want him to feel sorry for me or anything like that, but when I am talking I cannot hear, and when I am listening I should not talk. So I will try in future not to heckle him very much when he is talking. If he wants me to hear what he is saying, he should wait

till I pause for a minute and then I will hear him, but when I am talking, I cannot hear him. It is something that I do not know how rare it is, but it is a problem I have.

Hon. Albert Driedger (Minister of Natural Resources): You certainly are not missing anything anyway.

Mr. McCrae: You see, I can hear the Minister of Natural Resources (Mr. Driedger) because I paused just then, Mr. Acting Speaker, and he says that I was not missing anything anyway. When I am trying here to listen to the honourable member for Flin Flon (Mr. Storie) and talk at the same time, I definitely have a problem.

I think he is probably gently heckling me to try to get me off this topic which is so sensitive to New Democrats. It bothers them so much that the Tories of Manitoba could come out with a budget that creates so many jobs and so many quality jobs and does so much to improve the quality of our lives here in Manitoba—

An Honourable Member: We even got a job for Jerry Storie.

Mr. McCrae: So I think the member for Flin Flon is so happy he just wants to get out of this place and find himself a real job.

But I realize I am responsible in this place for issues related to the health of Manitobans and I am quite happy to talk about that, and I will be. But certainly Manitobans are very concerned about jobs issues, and I am very happy to support a budget that has all these jobs that will flow from it, and anybody who does not support this budget is going to have some explaining to do when they talk to their constituents.

I mean, how can you vote against a home renovation program that will create jobs for I do not know how many Manitobans, but certainly create a better life for thousands of them?

I am happy with other incentives, Mr. Acting Speaker, in the transportation, manufacturing, mining and small business sectors. Those are all areas that are important to the people of Brandon and people throughout Manitoba. The housing incentives I have mentioned. It is expected that the

mining and small business sectors. Those are all areas that are important to the people of Brandon and people throughout Manitoba. The housing incentives I have mentioned. It is expected that the package will create and maintain some 600 jobs, and I suspect as usual our Minister of Finance (Mr. Stefanson) and his department are probably being fairly small "c" conservative in that kind of an estimate, because I am not an economist like the member for Brandon East (Mr. Leonard Evans). I do not know it all like he does, but I bet you there will be more than 600 jobs spun out of that particular initiative, and that is a good thing.

I am pleased to look at how we are doing with respect to agricultural issues here in Manitoba. We perform very well as a provincial jurisdiction when you look at the performance of other jurisdictions in our country, and credit for that, of course, goes to our Minister of Agriculture, the honourable member for Lakeside (Mr. Enns), and his predecessor as well, the honourable Minister of Highways and Transportation. And, of course, those ministers need support from ministers like me and the rest of the caucus here and we work very well together and achieve some real results and this budget is the proof of the pudding, Mr. Acting Speaker. I am very happy that our Minister of Agriculture is interested in boosting our agrifood processing and export opportunities. Combine his efforts with that climate that I spoke of a few minutes ago and Manitoba is able to take its place proudly in the world market and play a key role and benefit the people who live here.

Mr. Acting Speaker, our Minister of Agriculture is not interested in seeing unfair trade activities going on, and his efforts are aimed towards combating that kind of harassment. He and my colleague the Minister for Rural Development (Mr. Derkach) and others are all interested in diversifying our rural economy and developing it further so that it will be strong and healthy for many, many years to come and providing a home and a quality of life for generations to come.

Businesses are going to get started as a result of this budget, Mr. Acting Speaker, and those businesses that will get started, and I am not

talking now about the home renovation program, but through other measures, another 600 or so jobs are estimated to be generated as a result of these initiatives. Again, I will accuse our Minister of Finance of being conservative in his estimates, and I will put forward the hope that his numbers are low and that we will create even more jobs. I am sure he will not be very disappointed if we do because, for many reasons, as Minister of Finance I would think he would be interested in seeing people paying taxes out there and contributing to the work that he does but also contributing to themselves and their fellow Manitobans.

Capital expenditure is a clear way of generating jobs, and I think you will see in this budget, Sir, capital expenditure levels that are way up there, creating many jobs and creating an infrastructure for us here in Manitoba, which leads me to the infrastructure agreement that has been arrived at in this country.

Our province is not going to sit out and not take part in initiatives that will help put our people to work, and so we are putting in \$68 million to that agreement, and there are another 2,300 jobs. I mean, these are numbers, cold, sterile sorts of things, but think about how many families we are talking about when we are talking about 2,300 jobs being created.

* (1710)

How many families' quality of life is improved because of the creation, the generation of that kind of employment level? In addition to talking about quality of life and improved surroundings in one's own home because of the home renovation program or this government's commitment to helping people get into new homes, all of these things happening show that this government is very interested indeed, Mr. Acting Speaker, in an improved quality of life for our fellow Manitobans. That is what we are here for and that is what we are trying to build and deliver.

It is a little frustrating from time to time to think that we do these things with the constant criticism coming, sometimes for all the wrong reasons, from honourable members opposite who claim to be out there trying to promote the same things we are and

promote a good quality of life for our fellow Manitobans. Most of the time I think exactly what they are out there to do is to do a good job, but sometimes they get a little unfair, they get a little overly partisan in their approach, which is something I hesitate to indulge in, but sometimes honourable members opposite just push so far we fall into that trap of becoming a little partisan ourselves. It is usually because it is started by honourable members opposite, and we normally just try to move forward and do our jobs here.

Mr. Acting Speaker, ever since I have been a member of the Legislature and before, I have talked about taxes. I remember because when I first got interested in provincial politics we had a New Democratic government in Manitoba and taxes were a very scary matter, and for good reason it was scary, because levels of taxation under our New Democratic friends—[interjection] The honourable Leader of the Opposition (Mr. Doer) has decided to join the debate again and he ought not to, because if we took the time to do it and explore line by line the performance of the government he supported and led so ably at the bureaucratic level by one Michael Decter, we would see a whole different story from what we are hearing from the Leader of the Opposition.

An Honourable Member: What is Michael Decter doing now?

Mr. McCrae: I will talk in a few moments about Michael Decter and the where-is-he-now sort of approach. I will deal with that because I think it is important. Too often in politics we tend to slip into that little trap of hypocrisy, and it is not very nice to talk about it, but it is even worse for it to happen. Unfortunately, it does happen far too often in this Chamber and elsewhere, on the part of New Democrats especially, but even once in a while Liberals slip into that and should not do it. If the Liberals want to get ahead, they ought to take this advice—do not try to follow the example of the New Democrats because it will get you into very deep trouble if you do.

I am very proud to be part of a government that has successfully delivered a seven-budget tax freeze.

I see the honourable Leader of the Opposition and the member for Flin Flon (Mr. Storie) having a chat. It reminds me of those famous comedy duos. I can never figure out which one is the straight man.

An Honourable Member: Laurel and Hardy? No. Who was that tall one and the fat one?

Mr. McCrae: Mutt and Jeff, was it not?

An Honourable Member: Mutt and Jeff.

Mr. McCrae: Anyway, they do not look like Mutt and Jeff, but I wonder sometimes whether it really is a comedy act they are involved in or serious matters to be discussed here.

We know there is a future that must be planned for, and that is why we have been able to maintain a tax freeze for seven budgets in a row. We also know that education has to change. We know the education that we have been supporting for too many years, in the way we are supporting it, is not getting the job done. We have a changing job market, a job market that is changing year in and year out, sometimes month in and month out. We need an education system that is more responsive to that, not an education that is responsive only to those who have a vested interest in the education system, but an education system that is responsive to the reality of the world today and the workplace today.

I am not an expert on education any more than a lot of other people, but I know what I see and I know it needs improvement. That is the first step toward making meaningful and positive changes, to recognize that you need to do that. I do and so do my colleagues. I think that is why you see more commitment in this budget to the kind of training that should be made available to our fellow citizens in community colleges in Manitoba, because we need to provide technical and vocational training for Manitobans so that they can take advantage of the technical and vocational opportunities that a changing world is making available to Manitobans. Mr. Acting Speaker, why not use the technology that exists and use it most wisely, get the maximum benefit. Things like distance education enhancements should be part of

a budget of 1994. Revitalization of apprenticeship training should be part of a budget in 1994.

All of that will help us to look more seriously at how are we using our social safety net, our welfare system. Is it appropriate that more and more people live on welfare when they do not want to in the first place, and in the second place, there are far better things that people could be doing with their lives. Life is not about living on social assistance. Life is about getting ahead. Life is about achieving the opportunities. Life is about achieving and showing how we can get ahead, showing our children how they can get ahead.

Life in Manitoba and Canada, Mr. Acting Speaker, is a very special experience because we have a universal health care system in this country. I have been and remain proud of that health care system, but just like in the education field and many others, the world is changing and we cannot sit here and watch it all change and pretend that we do not have to change, too. That is the world in which honourable members opposite in the New Democratic Party live.

Mr. Orchard: When they are in opposition.

Mr. McCrae: When they are in opposition, as pointed out by my colleague the Minister of Energy and Mines.

When they are in government it is a whole different thing. When they are in government, Mr. Acting Speaker, they cut hospital beds. They bring in bed cuts and call it health reform, and they do not make any other provision, just simply hack and slash for the purpose of meeting some bottom-line budget number. That is what New Democrats do when they are in office. When they are in opposition they pick at everything that happens and they whine and they complain.

Mr. Acting Speaker, I observe for you today that the last time the honourable member for Brandon East (Mr. Leonard Evans) ever said anything positive is when he was in government. I have researched carefully and found nothing positive said by that honourable member about anything. As pointed out by the Minister of Energy and Mines (Mr. Orchard), he is a charter member of the banana party. That is the party that builds

absolutely nothing anywhere near anybody. That is what banana stands for and that is what the honourable member for Brandon East has been standing for.

Earlier in my comments I deliberately left out a comment about McKenzie Seeds because it is going to come up again, because the honourable member for Brandon East downplays the value of the contribution of the people who work at McKenzie Seeds by saying that Brandon is not a viable place to run a seed company. Well, shame on the honourable member for saying things like that, Mr. Acting Speaker, because it is not true.

Point of Order

Mr. Leonard Evans (Brandon East): Mr. Acting Speaker, I have some difficulty. The honourable member for Brandon West (Mr. McCrae) is a friend of mine. He is a nice guy, usually, but he is putting misinformation on the record, because in 1969, I saved McKenzie Seeds from being sold by—

The Acting Speaker (Mr. Laurendeau): Order, please. The honourable member did not have a point of order. It is clearly a dispute over the facts.

* * *

* (1720)

Mr. McCrae: Mr. Acting Speaker, I appreciate, if the honourable member is ever offended that I might say something that is inaccurate and I am found to be inaccurate, I will be the first to admit that I have made a mistake or something like that. If I have attributed something to the honourable member that he did not say, as recorded in the Brandon Sun in quotation marks, then I guess I will have to withdraw that.

You cannot go through your life clarifying what you said. You cannot go through your whole political life doing that. You cannot take such personal shots at the likes of Ray West, who is a leading citizen of the city of Brandon, one whose commitment to McKenzie Seeds is unquestioned by anybody. You cannot do all that and then stand up and say, oh, I am sorry, I was misquoted, and I have to clarify.

Mr. Acting Speaker, the honourable member, I do not quarrel with what he said about whatever he did back in 1969, but I will tell you, back in 1969 and during the NDP years, McKenzie Seeds was not turning million-dollar profits and paying back the government the money that it owes the government and making a contribution to the life of Brandon and all of this—[interjection]

I am talking about McKenzie Seeds. The member for Flin Flon (Mr. Storie) says, do not be partisan. I am talking about McKenzie Seeds, and excuse me if I get a little emotional. I have been to McKenzie Seeds enough times and looked into the eyes of the workers there. I have looked into Ray West's eyes, too, and that man is dedicated to McKenzie Seeds and does not need to be kicked around like the honourable member for Brandon East wants to do. To say that McKenzie Seeds is not good enough to stay in Brandon is downright insulting.

Point of Order

Mr. Leonard Evans: I really like the member for Brandon West (Mr. McCrae). He is usually calm, collected and rational and talks sensibly, but I am really troubled because he is totally misrepresenting me, and he is also making statements that simply cannot be substantiated in any which way. He should know that I have dedicated—

The Acting Speaker (Mr. Laurendeau): Order, please. The honourable member did not have a point of order. It is clearly a dispute over the facts.

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Mr. McCrae: Mr. Acting Speaker, there is an old expression. The honourable member is pounding his desk. There is an old story that comes from the justice system. When a lawyer does not have much going on the facts, he pounds the law, and when he does not have the law on his side, he pounds the facts. When he has neither, he pounds his desk. That is just what the honourable member for Brandon East was doing, pounding his desk, full of sound and fury, signifying absolutely nothing.

What he does is a disservice not only to McKenzie Seeds and its proud history in Brandon and its present success and its future value and

contribution and growth in Brandon, but he also speaks very poorly of the people who work there, and he speaks poorly of other things that are going on in Brandon that are all positive. To be against development in our city in the way that the honourable member has been is an insult to all of the people of Brandon.

Point of Order

Mr. Leonard Evans: Mr. Acting Speaker, on another point of order, I am sure the member is just trying to have a little bit of fun with me, because he knows that my objection to the sale of McKenzie Seeds is to keep it for the city of Brandon.

I would like to ask the member a question. Does he realize that 8,000 people in the city of Brandon—

The Acting Speaker (Mr. Laurendeau): Order, please. The honourable member did not have a point of order.

* * *

Mr. McCrae: Mr. Acting Speaker, with all due respect to my friend—and he is my friend from Brandon East—with all due respect to him, this is not 25 years ago. This is now, and the world is changing. We are not talking about selling McKenzie Seeds, we are talking about potential development that will see a further commitment to Brandon, a guarantee of the jobs at McKenzie Seeds. These are the things that I am talking about.

With all due respect to the honourable member and his contributions, nobody is out to say that he has not tried to do a good job over the years. I am not, Mr. Acting Speaker, but you cannot come in and bootleg 25-year old dogma into the 1994 debate about the future of a vital corporation like McKenzie Seeds—vital and alive, I might add—[interjection]

Mr. Acting Speaker, the honourable member persists in interrupting me. Twenty-five years ago is 25 years ago. We are into some newer ideas that will see a McKenzie Seeds that is stronger than ever, stronger than the McKenzie Seeds that the honourable member claims to have saved 25 years ago. This is today. McKenzie Seeds has got a bright future in Brandon, and to say that Brandon

ain't no place to build a seed house or to keep one, I am sorry, I profoundly disagree with that.

Now, I guess I should get on to further discussion.

Point of Order

Mr. Leonard Evans: Would the member clarify his statement? I am not sure what he does not disagree with. I am not sure the point that he is disagreeing with. I wonder if he would clarify that because he knows that I—

The Acting Speaker (Mr. Laurendeau): Order, please. The honourable member did not have a point of order. The honourable minister to continue.

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Mr. McCrae: Mr. Acting Speaker, to quote Will Rogers: All I know is what I read in the papers, and I do not play politics, I just watch—I do not make jokes, I just watch the politicians and state the facts. That is what Will Rogers says, and I think Will Rogers must have known the honourable member for Brandon East. A 25-year-old thought ain't going to work in 1994 when it comes to the continued operations of McKenzie Seeds.

Now I will move on and maybe the honourable member will not mind if I do. It is after all my speech and he has now cut in four times, and I hope he does not do it again. He is very sensitive to these things, and the people of Brandon are noticing that, you know, while the rest of the people in Brandon are moving forward, they do not want to be roped and held back by the honourable member for Brandon East.

We are marching forward. We have got a City Council and a business community that want to move Brandon forward to become truly a major second city in the province of Manitoba. We even joke sometimes that some day we will be the first city in Manitoba. That is not the thinking of the honourable member for Brandon East. He says, oh, but there are too many limitations to our growth and so there should be. After all, we have got the member for Radisson (Ms. Cerilli) sitting just behind me and I have to listen to what she has to say, and she wants to keep Ayerst Organics from

operating, and I am not really going to say anything about that. That is not the kind of thinking that Brandon people want to see, and the honourable member for Brandon East has a lot of explaining to do.

It is very interesting, Mr. Acting Speaker, that the honourable member probably proposes to vote against this budget, too. This is the budget that commits 1.85—[interjection] Was it something I said? Because honourable members opposite—

An Honourable Member: You are being partisan, I said.

Mr. McCrae: Oh, really? The honourable member for Flin Flon (Mr. Storie) says I have been partisan, and maybe I will get off the previous subject because I think I have made my points. I obviously got the honourable member for Brandon East (Mr. Leonard Evans) four times to his feet.

I will move on to the health care issue and state my support for a budget that contains \$1.85 billion for the continued operation of our health care system. I know that throughout this session I am going to have other opportunities to talk about health care. That is why I spent some time on some issues of importance to Brandon West and to Brandon. There is a definite—[interjection]

The Acting Speaker (Mr. Laurendeau): Order, please.

Mr. McCrae: The honourable member for Brandon East is having a bit of a problem this afternoon. I will try to be a little more quiet when he speaks than he has been this afternoon as I have been trying to speak.

There is a clear direction set out in this budget with respect to health, and the shift that we have been talking about for several years in Manitoba from a total reliance on an acute-care system to a more community-based system is clearly evident in the budget, and honourable members opposite, no doubt, will try to make some other point.

I noticed the first questions raised in Question Period since this budget came out about health care had to do with the budgets of the past and not this one, because this budget clearly provides very significantly for improvements in delivery of

community-based care. It is our responsibility, Mr. Acting Speaker, to make that delivery system as efficient as we can. Even though there is \$2.6 million, which is a very large amount of money, more going into the Home Care Program, I want to ensure that money is spent wisely and well. It is a lot of money, and I owe it to my fellow Manitobans to make sure it is spent wisely and well.

I acknowledge that in the past in Manitoba, I mean, home care is relatively new when you think about the history of health care, and as these programs have begun over the last couple of decades, we have built in, unfortunately, some inefficiencies that should not have been built in but did get built in. Those need to be addressed. I want the support of honourable members opposite as I try to address them.

* (1730)

I do not want a socialist approach to get in the way of doing what is right for our fellow citizens, and nowhere could I give a better example than the example of the project at Seven Oaks. Seven Oaks is having trouble getting their people discharged efficiently, so they entered upon a pilot project and brought in a private company. Heaven forbid, Mr. Acting Speaker, that one should bring in, a hospital should bring in a private company. This private company—and then they call it Americanized health care delivery—well this private company, this particular one, just happens to be a company that had its beginnings in Brandon, Manitoba.

Last I looked, Brandon was in Manitoba, and that company in the last 10 years has grown very, very significantly. Why do companies grow? They grow because people like the product. Instead of asking about patient care with respect to the Seven Oaks project, the emphasis was strictly public versus private. This is not a versus business. This is a business where we are trying to provide care to people, and if my socialist friends opposite could take off their blinkers just long enough to remind themselves that they are here to look after their fellow citizens, maybe we would get ahead.

After all, it is Conservative governments, and Liberal governments, but Conservative

governments too in this country that have nationalized things like phone companies, nationalized things like Workers Compensation. Conservative governments did those things. You know, there is no particular corner on that market of building a combination in our country of private and public contribution to the good of all of our citizens. The socialists would have you believe that they, you know, should take credit for it all. For some of it, we will give them some credit, that which they deserve and no more. But to say it is the only way to go is a very bad fallacy, because we get ourselves locked into a system where unfortunately bureaucracies build up, inefficiencies get built into the system and honourable members opposite in opposition stand for the continuation of that inefficiency and that dinosaur approach to the conduct of public business.

I do not think I am particularly philosophical. I call myself a Progressive Conservative, but I think I am willing and able to listen to other points of view, but when they are totally philosophically driven, I have a credibility problem with people like that. If they really care about people, I should listen to all their suggestions, but when I can see that they are driven only by a very stupid and outdated, outmoded, hidebound philosophy, it is hard to take people like that seriously anymore, Mr. Acting Speaker.

You can see I am losing my voice, and my time is just about up, too, so it is kind of appropriate that I should come to an end in my comments. I just want to say a word to my friend from Interlake (Mr. Clif Evans). The other day he was making a speech, and I was gently engaging him as he spoke. He is listening right now, and I just want to tell him that I did not mean any offence when we were talking the other day. I know that he did not say anything that was not strictly truthful. I recognize that, but I think it was the conclusions that he drew from the story that he told were somewhat inaccurate. I certainly did not mean to offend him or anybody else in this House.

(Mr. Speaker in the Chair)

Mr. Speaker, I look forward to the debate that will no doubt ensue here. I look forward to a positive vote in this House. Dare I look forward to support from one of the members opposite? Well, we will see. I hope reason will prevail, but when you consider that the overwhelming majority of Manitobans are going to like what flows from this budget, I hope honourable members opposite will give it every consideration and give it their positive support. Thank you very much.

Ms. Marianne Cerilli (Radisson): Mr. Speaker, I am pleased to be able to join the debate on this budget. I want to respond to some of the comments that have been put on the record from the other side, put some comments in response to some of the comments made by the members opposite, and I think I will put a few ideas out, ideas this government seems to be rejecting, ideas that are coming from a variety of areas, the community, for how we can deal with the economic and social realities that are facing us in Manitoba and indeed across the world.

I want to start off, though, by welcoming the new members. I neglected to do that in my debate on the throne speech, but I would like to welcome the members. One is sitting here right now, the member for St. Johns (Mr. Mackintosh), who I wholeheartedly welcome to our caucus, a positive and beneficial addition to our team. I would also like to welcome the other members, the member for Rupertsland (Mr. Robinson), as well as our new member for Rossmere (Mr. Schellenberg) who, as we said earlier, is a former teacher of mine, whom I am quite pleased to be seatmates with. I look forward to working with him, to continue on representing the northeast end of the city of Winnipeg, along with so many of my other colleagues. I also want to welcome the two new Liberal MLAs as well, for Osborne (Ms. McCormick) and The Maples (Mr. Kowalski).

As well, I would like to recognize the staff and Pages and the interns who joined the Chamber, particularly the Pages. I hope that their experience here is beneficial to them and that they leave with some commitment to working to make our

democracy work, because I think that is what we are all here to do.

I will turn now to this budget presented by the Premier (Mr. Filmon) and his government. I guess the main thing that we have to look at in terms of the budget is the lack of fairness, and that is what I am going to focus on. The members opposite like to say that we are merely driven by some outdated ideas, but I totally reject that. I think that the outdated ideas are reflected not only in this government's inability to balance the budget, not only in this government's inability to deal with the skyrocketing unemployment and poverty in this province, but I also think that their inability to deal with real social problems and environmental degradation is also a testament to their failure. They failed right across the board, Mr. Speaker.

I am going to list the number of areas that they have failed in dealing with the economy and the realities facing the province of Manitoba.

I want to start off by talking about the government's failure in dealing with the deficit, because they like to portray themselves as the fiscal managers. They like to portray themselves as being responsible and able to deal with the bottom line. It is obvious that it is just not true. I would say that a New Democrat government would be very much more responsible. I think that you have to realize that there are two sides to a budget. There is the revenue side and the expenditure side. It is a balance. There has to be a balanced approach. We can see that with each budget, the government has come in saying that they were going to have these great projections on reducing the deficit and the debt, and time after time they have not been able to do that.

* (1740)

I think it is related to a number of things. One of the things it is related to is this government's unwillingness to be up front with people and to deal with the fact that the way you are going to deal with these problems of debt and deficit is partially revenue problems. They are not just spending problems, they are revenue problems and revenue problems related to the shift in the tax burden from having industry and business pay

more of its fair share to having individual ratepayers pay more and more. That is one of the trends that has happened across the country that is really damaging. That is putting the squeeze on people, preventing them from having disposable income which they would spend in the shops and services in Manitoba that would help spur the economy along and create jobs.

We can see that their approach is a failure. I would say that this government is far more ideologically driven than they like to make themselves out to be. They like to make themselves out to be these sort of—I do not know what you would even call it. They try to say that they are common sense and they have what is best for people in mind, but as you can see by this budget, the unfairness of this budget, they do not have equity in mind. They do not have what is best for the collective good of Manitoba in mind, and that is no more greatly reflected than in their inability to deal with high unemployment.

Now, unemployment in this province is somewhere around 60,000 individuals, and that does not even include all those who are on welfare. The increase of 82 percent, people on welfare, I am going to talk more about that later. But to have 500 more people unemployed this year than last year shows that they have an ideological bias against creating jobs.

They like to say that it is only up to the private sector to do this, but you can see that they fail on that front, too. You can see that they failed, because private investment is down by 4.8 percent, so their approach is not working, and what we are doing is we are part of the race to the bottom.

They have been hacking and slashing government services, which again loses jobs, in this effort to try and attract this mythical private, foreign investment which also can end up draining the economy, because with free trade, with NAFTA, it is more and more easy for them to transfer the capital out of the country, transfer wealth out of the country, and not have to pay any corporate tax on wealth generated.

So we can see that the combination of all of the planks of the Conservative and, to some extent,

similarly the Liberal approach is damaging the economy. The deregulation, the privatization, the decrease in public services, the increase in paving the road for this kind of capital flight, all have done their part to destroy the economy.

The other thing that the government does not seem to want to appreciate, though, is the high unemployment rate among young people. Over 20 percent of young people in Manitoba are unemployed, and it is even higher than that in northern and some rural areas. This is related to a couple of things. Now let us think of it as the amount that we invest in young people throughout their 12 or 13 years of schooling and then go on and have some post-secondary, and what we are actually doing by having that many people unemployed, we are losing a lot of that investment. The kind of despair and the kind of frustration that so many young people are facing right now is a real loss to our economy in more ways than one. We need the energy and the ideas and the up-to-date skills that so many people have in this province, and we need to find ways of investing that into the economy.

The number of programs that they are cutting that would do that, like the New Careers program, like the ACCESS program, the number of programs like Job Training for Tomorrow and CareerStart, that they have slowly been eroding are also closing the door on young people and closing the door on the economy, and we can see what is happening. We have a greater and greater brain drain in this province. Those well-educated young people who have benefited from the investment of education leave the province; 47,400 Manitobans have left this province. They take with them the leadership skills, the education and training, and all of the innovative, up-to-date ideas that they could invest in our province—[interjection] Now, the minister for potash is reminiscing about his youth, but I will stick to my budget debate.

Mr. Speaker, we cannot ignore, as this government tries to do, a growing gap between the rich and the poor in this province. We cannot ignore that that is the real effect of Conservative and, to a similar extent, Liberal economic policy.

This growing gap between the rich and the poor in Manitoba has led us to have the highest rate of child poverty in the country and led us to have one of the worst rates in poverty for everyone. This is basic injustice and unfairness that we in the New Democratic Party think that the government is there to do something about. The government is there to act on the behalf of the welfare of people so that we have a more just and a more equitable economy in society.

That is not going to happen when we have cuts to taxation of industry of \$212 million, which this government has done. This kind of unfair taxation policy, when in the meantime they have an increase of 5.7 points on personal, individual income tax. That kind of transfer of the tax burden is not acceptable to Manitobans, I do not believe. I do not believe that this kind of tax policy is going to be voted for by the members on this side of the House for sure, or the members of the public in the next general election. I think the people of Manitoba understand that in a democracy taxation must be based on the ability to pay. That is what we have had in the country and in the province, and that is what Conservative and Liberal governments have been eroding, this idea that taxation should be based on the ability to pay.

I have a pamphlet here that was prepared by a group called the Action Canada Network. It talks about the 93,000 profitable corporations that paid no tax in 1992. The Royal Bank, for example, which made a profit of over \$63 million, paid no taxes. You put that in juxtaposition with a bank teller that would have worked in that same bank in British Columbia, for example, that would have paid \$5,732 in income taxes on their \$25,000 salary. It talks about Imperial Oil. If Imperial Oil would pay their back taxes of \$1.577 billion, it could create 600,000 child care spaces, build 54,000 co-op housing units or fund a national dental program for children. It lists a number of other companies that have made profits, in some cases of almost \$200 million, and paid no taxes.

So, Mr. Speaker, when we talk about fairness, that is what we are talking about. We know that in Manitoba the majority of jobs in this province and

the real strength in our economy is in the small-business community. We think that there has to be some recognition for that. This burden to provide the revenue for all of the government services that we need—education, health care, environmental enforcement protection—all of those kinds of services have to be paid by more fair taxation, which means taxation on the profits of industry.

I as a matter of fact spoke to someone in some of the small businesses that the member opposite refers to. I would think that there has to be some recognition of the benefit of small business, and those are not the businesses I am referring to when I am talking about increasing business and corporate taxes. I am definitely talking about the kinds of large national or transnational corporations, the large businesses, particularly the banks and the financial institutions that move their capital about and continue to get a free ride and have the burden of our society placed on the backs of individual citizens.

* (1750)

I think that we have to reject the trend of this government and so many other governments similar to its ilk of thinking that we are going to move to a user-pay, user-fee kind of government system. You see that in the list of the kind of hidden taxes that they have incorporated in the provincial government—appeal commission recovery taxes, information resource fee taxes, Provincial Archives fee taxes. They have a fee now that you have to pay if you are going to take a training course in Workplace Safety and Health.

Now, this is the nickel-and-diming of individual citizens that is preventing them from developing the skills that they need. They are going to be increasing, 100 percent increase in the Department of Environment fees, for example, and that is so you can get your water tested, so that you can get some guarantee that you are not poisoning yourself from water contamination. They are going to charge for that now, and that is deemed to be, you know, reasonable, but yet they are going to give continued tax breaks to industry and they are going to refuse to have them pay their fair share.

Individuals across this province are being asked to pay more and more and more in hidden fees, the harmonization of the GST and the PST, the increase in the property tax that they have levied for the provincial portion of property tax.

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

I want to talk about too how this budget is bankrupt of ideas that are out there in this community. It is a supply-side budget, continuing on in true Conservative fashion, and it is interesting when you look at what the government, for example, does in the Department of Environment. The Department of Environment now has about a \$12-15 million budget. Nine percent of that almost goes to an organization called the International Institute for Sustainable Development. They get approximately over \$1.3 million a year from the Manitoba taxpayer, and they have prepared a document which I think is quite good. It is called Protecting the Environment and Reducing Canada's Deficit, and it is a program to greening of government taxes and subsidies.

So we have the government of Manitoba taking the money out of our Environment department budget, putting it into an international institute which is preparing some fairly reasonable documents, but then we have the government not even looking at, it seems, the recommendations and the ideas in this booklet and in this paper.

Now, to me that is not a very good return on our investment because, Mr. Acting Speaker, this document is full of some really good ideas on how we can start transforming our taxation system so that we are going to generate revenue and we are going to start using the levers in the economy that exist to decrease pollution and help preserve and protect our environment.

The tax system, says this book from the International Institute, contains an extraordinary number of tax programs and tax policies which taken together create an extremely powerful framework of initiatives and signals for influencing the behaviour of producers and consumers, businesses and households. That is what an activist government can do.

An activist government does not sit idly by, as this government has, and just say, the marketplace can do it, and just get out their way. An activist government is going to get in there and try and harness those powerful influences referred to in this document so that it can start to work on the benefit of people on behalf of the benefit of the environment and the natural ecosystem which sustains us and sustains the economy.

I think we have to start looking more closely at the economy and get away from this government's kind of ideological bias that it has been practising and realize that the economy is there to serve people, not the other way around.

We are not here to serve the economy. I made the comment in my throne speech debate that the economy is not an act of God, that it is man-made, that we can transform it so it is more health oriented and it is more focused on justice and equality. That is the approach and the commitment of the New Democratic Party in Manitoba and across the country.

Ecological tax reform is one of the most important tools for getting us there. That is a quote from this booklet which the government has paid for but is ignoring. We can impose heavier levels of taxation on toxic pollution, waste and inefficient use of virgin resources. That means implementing a system whereby we are going to have the polluter pay on a regular basis.

The Acting Speaker (Mr. Laurendeau): Order, please.

Point of Order

Mrs. McIntosh: Mr. Acting Speaker, if the member would be willing to entertain a question on the environment—

The Acting Speaker (Mr. Laurendeau): Order, please. The honourable minister does not have a point of order.

* * *

Ms. Cerilli: I only have two minutes left, so I am just going to complete the thoughts that I have and then I can answer some questions for the member opposite, because I think it is really important that

they listen and begin to understand these new ideas.

The First Minister, the Premier (Mr. Filmon), likes to criticize me for being too concerned about the environment. He creates this false dichotomy about jobs and the environment and yet he tries to portray himself as Mr. Sustainable Development. Well, you cannot have it both ways. We have to have jobs and we have to have a safe environment, and we can do that.

We can do it by starting to have true cost accounting on the environmental resources that we use. For example, Manitoba has the lowest stumpage fees in North America, and in Canada for certain. We have to start fully cost accounting for those kinds of resource extraction policies or resource extraction industries so that we can have the money for reforestation.

Manitoba also has the worst record in the country on reforestation.

An Honourable Member: That is not true.

Ms. Cerilli: That is what was written in the material that I have read, and I can bring the magazine for the member opposite.

Mr. Acting Speaker, I know that I will have time to continue on tomorrow, and I am going to continue on talking about how we can start to transfer tax burdens from individuals and from things that can be disruptive in the economy to preserving our economy and working to make our economy more just and how in some ways that does have to happen internationally.

I recognize that we are in a global economy and we do have to have more and more international agreements that are going to allow for these things, that are going to, for example, institute energy taxes and these kinds of pollution taxes. I think though that the members opposite, when they criticize us for taking strong stands, like making sure we follow environmental law and have proper environmental impact assessments on development, when they criticize us for that, they are being very shortsighted.

The Acting Speaker (Mr. Laurendeau): Order, please.

When this matter is again before the House, the honourable member will have 15 minutes remaining.

The hour being 6 p.m., this House stands adjourned until tomorrow (Thursday) at 1:30 p.m.

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 27, 1994

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