



**Fourth Session - Thirty-Sixth Legislature**

**of the**

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

**Official Report  
(Hansard)**

*Published under the  
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The Honourable Louise M. Dacquay  
Speaker*



**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Sixth Legislature**

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
ASHTON, Steve	Thompson	N.D.P.
BARRETT, Becky	Wellington	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave	Kildonan	N.D.P.
CUMMINGS, Glen, Hon.	Ste. Rose	P.C.
DACQUAY, Louise, Hon.	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary	Concordia	N.D.P.
DOWNEY, James, Hon.	Arthur-Virden	P.C.
DRIEDGER, Albert	Steinbach	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry, Hon.	Lakeside	P.C.
EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
FAURSCHOU, David	Portage la Prairie	P.C.
FILMON, Gary, Hon.	Tuxedo	P.C.
FINDLAY, Glen, Hon.	Springfield	P.C.
FRIESEN, Jean	Wolseley	N.D.P.
GAUDRY, Neil	St. Boniface	Lib.
GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	N.D.P.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McALPINE, Gerry	Sturgeon Creek	P.C.
McCRAE, James, Hon.	Brandon West	P.C.
McGIFFORD, Diane	Osborne	N.D.P.
McINTOSH, Linda, Hon.	Assiniboia	P.C.
MIHYCHUK, MaryAnn	St. James	N.D.P.
MITCHELSON, Bonnie, Hon.	River East	P.C.
NEWMAN, David, Hon.	Riel	P.C.
PENNER, Jack	Emerson	P.C.
PITURA, Frank, Hon.	Morris	P.C.
PRAZNIK, Darren, Hon.	Lac du Bonnet	P.C.
RADCLIFFE, Mike, Hon.	River Heights	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack, Hon.	Niakwa	P.C.
RENDER, Shirley	St. Vital	P.C.
ROBINSON, Eric	Rupertsland	N.D.P.
ROCAN, Denis	Gladstone	P.C.
SALE, Tim	Crescentwood	N.D.P.
SANTOS, Conrad	Broadway	N.D.P.
STEFANSON, Eric, Hon.	Kirkfield Park	P.C.
STRUTHERS, Stan	Dauphin	N.D.P.
SVEINSON, Ben	La Verendrye	P.C.
TOEWS, Vic, Hon.	Rossmere	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
VODREY, Rosemary, Hon.	Fort Garry	P.C.
WOWCHUK, Rosann	Swan River	N.D.P.
Vacant	Charleswood	

## LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, March 12, 1998

The House met at 1:30 p.m.

### PRAYERS

### ROUTINE PROCEEDINGS

### PRESENTING PETITIONS

#### Winnipeg Hospitals Food Services—Privatization

**Ms. Marianne Cerilli (Radisson):** Madam Speaker, I beg to present the petition of Janet Pidgeon, Muriel Sweet, Mary Thompson and others praying that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health (Mr. Praznik) to consider immediately cancelling the hospital food proposal and concentrate on delivering quality health care instead of using health dollars to provide contracts for private firms.

**Ms. Becky Barrett (Wellington):** I beg to present the petition of James Allum, Tom Moody, Steve Webb and others praying that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health to consider immediately cancelling the hospital food proposal and concentrate on delivering quality health care instead of using health dollars to provide contracts for private firms.

### READING AND RECEIVING PETITIONS

#### Winnipeg Hospitals Food Services—Privatization

**Madam Speaker:** I have reviewed the petition of the honourable member for Burrows (Mr. Martindale). It complies with the rules and practices of the House. Is it the will of the House to have the petition read?

**An Honourable Member:** Dispense

**Madam Speaker:** Dispense.

*WHEREAS the provincial government has embarked upon a project in which it is closing hospital kitchens and having hospital food transported in from Toronto for reheating; and*

*WHEREAS this proposal will not improve the quality of food but will cost hundreds of jobs to the provincial economy; and*

*WHEREAS on December 8th of 1997, the provincial cabinet staged a photo opportunity for the media in which government MLAs were served chicken breast from a chef flown in from Toronto for the occasion while the actual meal served residents that night was macaroni and peas; and*

*WHEREAS this proposal will result in more health care dollars being spent on questionable privatization projects; and*

*WHEREAS in December of 1997, the provincial government was forced to drop a similar privatization scheme involving home care which had been opposed by the clients, families and the public; and*

*WHEREAS once again the provincial government without consultation has committed itself to a privatization project which will likely cost taxpayers more money for a poorer quality service, thus forgetting the patients who deserve better care.*

*WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health to consider immediately cancelling the hospital food proposal and concentrate on delivering quality health care instead of using health dollars to provide contracts for private firms.*

**Madam Speaker:** I have reviewed the petition of the honourable member for Radisson (Ms. Cerilli). It complies with the rules and practices of the House. Is it the will of the House to have the petition read?

**An Honourable Member:** No.

**Madam Speaker:** Dispense.

*WHEREAS the provincial government has embarked upon a project in which it is closing hospital kitchens*

*and having hospital food transported in from Toronto for reheating; and*

*WHEREAS this proposal will not improve the quality of food but will cost hundreds of jobs to the provincial economy; and*

*WHEREAS on December 8th of 1997, the provincial cabinet staged a photo opportunity for the media in which government MLAs were served chicken breast from a chef flown in from Toronto for the occasion while the actual meal served residents that night was macaroni and peas; and*

*WHEREAS this proposal will result in more health care dollars being spent on questionable privatization projects; and*

*WHEREAS in December of 1997, the provincial government was forced to drop a similar privatization scheme involving home care which had been opposed by the clients, families and the public; and*

*WHEREAS once again the provincial government without consultation has committed itself to a privatization project which will likely cost taxpayers more money for a poorer quality service, thus forgetting the patients who deserve better care.*

*WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health to consider immediately cancelling the hospital food proposal and concentrate on delivering quality health care instead of using health dollars to provide contracts for private firms.*

**Madam Speaker:** I have reviewed the petition of the honourable member for Broadway (Mr. Santos). It complies with the rules and practices of the House. Is it the will of the House to have the petition read?

**An Honourable Member:** Dispense.

**Madam Speaker:** Dispense.

*WHEREAS the provincial government has embarked upon a project in which it is closing hospital kitchens*

*and having hospital food transported in from Toronto for reheating; and*

*WHEREAS this proposal will not improve the quality of food but will cost hundreds of jobs to the provincial economy; and*

*WHEREAS on December 8th of 1997, the provincial cabinet staged a photo opportunity for the media in which government MLAs were served chicken breast from a chef flown in from Toronto for the occasion while the actual meal served residents that night was macaroni and peas; and*

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*WHEREAS once again the provincial government without consultation has committed itself to a privatization project which will likely cost taxpayers more money for a poorer quality service, thus forgetting the patients who deserve better care.*

*WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health to consider immediately cancelling the hospital food proposal and concentrate on delivering quality health care instead of using health dollars to provide contracts for private firms.*

### **Introduction of Guests**

**Madam Speaker:** Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have this afternoon fifteen Kindergarten to Grade 9 students from Home Schooling under the direction of Mrs. Sandy Noble. This school is located in the constituency of Charleswood.

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

**ORAL QUESTION PERIOD****First Minister  
Apology Request**

**Mr. Gary Doer (Leader of the Opposition):** Madam Speaker, St. Boniface Hospital has had a proud tradition of working for our community and working for the citizens of this province. It has had people who have worked as volunteers, have worked as staff, have worked in the communities, have worked on fundraising events and other endeavours that they have a lot of pride in. They were absolutely shocked yesterday to hear this Premier, who has reduced the staff and cut the beds, blaming them for the situation and crisis at St. Boniface, and for the risk that their accreditation is on, pursuant to the letter that we tabled here yesterday. This Premier has cut over 200 staff; he has cut over 200 beds. I would like, on behalf of the people of St. Boniface and the many volunteers and staff that have worked tirelessly on behalf of patient care, for this Premier to take responsibility for his decisions and apologize for his comments of blaming the people of St. Boniface yesterday.

**Hon. Gary Filmon (Premier):** Madam Speaker, I recognize that the member opposite likes to play political games every day that he lives in this House and in this political environment, and it is that kind of disservice that he does to the people of this province that results in his being in opposition all the time. He has no credibility. At no time, at no time did I blame the staff or the people who work or the people who volunteer at St. Boniface Hospital for those circumstances, and the member does a disservice to himself and his own credibility for even attempting to put that position forward.

\* (1335)

**Mr. Doer:** Again I am very disappointed that the Premier does not recognize that the volunteers that are on the board are the ones that hire the management. I remember and I recall the former Minister of Health, two Ministers of Health ago under this Premier, in implementing this Premier's cuts in health care, said patient care at St. Boniface Hospital would not be adversely affected by the Premier's decisions to cut operating funds for the hospital and cut the beds in that hospital.

**St. Boniface General Hospital  
Patient Safety**

**Mr. Gary Doer (Leader of the Opposition):** I would like to ask the Premier today: does he take any responsibility for the fact that according to nurses, in collaboration with management at the hospital, incidents that jeopardize patient care, incident reports that have been filed documenting jeopardy of patient care have gone, over the last two years, from 187 to 262, a 40 percent increase based on budget cuts that this Premier made and his former Minister of Health said would not impact patient care? Will this Premier start taking responsibility and stop pointing fingers at everybody else except himself?

**Hon. Gary Filmon (Premier):** Madam Speaker, I take responsibility for everything that our government does every day that I am in office, unlike the member opposite who has the luxury to be able to criticize each and every day, to be able to change his position at will from day to day, from hour to hour, to be able to come up with a twisted, distorted point of view no matter when he wants to come up with his position on any issue just so that he can ensure that he is always being critical of this government.

I will tell him that I am very proud of the fact that since we have been in office for 10 years, we have increased our funding to health care by \$600 million a year, that we have been able to provide more than 34 percent of our budget to health care, the second-highest percentage of any province in Canada, that we have been able to increase the number of personal care beds, that we have been able to triple the funding that we give to home care, that we have been able to continue to offer new and better ways for us to adjust a system that was built based on the needs of 30 years ago that has new and emerging and changing needs for an expanding seniors population. Those are the kinds of things that we will continue to do to improve the opportunities for our health care in future and to be able to assure Manitobans that when they need health care it will be there for them.

**Funding**

**Mr. Gary Doer (Leader of the Opposition):** The Premier did not apologize on the first question. He did

not answer the question about the 40 percent increase in patient jeopardy in incident reports over the last two years under his stewardship in terms of the crisis in health care.

Madam Speaker, we have given this government lots of ideas. We told him not to close Odd Fellows nursing home until he had some place to put the patients before. We said you had to have a long-term plan in health care which, of course, this Premier broke in terms of his broken election promise by promising one thing after the federal budget before the election and doing something else.

I would like to ask this Premier: why should we ever believe this government again when this former Minister of Health said no patients would be in jeopardy on the basis of the cuts that this government has made? Why will the Premier not take responsibility for closing over 200 beds at St. Boniface, firing over 200 staff and leaving the hallways and the hospital in crisis, rather than blaming management, Madam Speaker?

\* (1340)

**Hon. Gary Filmon (Premier):** Madam Speaker, the member opposite knows full well that there are changes taking place throughout Canada in the health care system and that the things that he is accusing this government of are the same policies that are being adopted by New Democratic provinces in British Columbia, in Saskatchewan that were implemented—hundreds, in fact, thousands of beds cut in Ontario under New Democratic administration.

The only thing that the public knows is that if they relied on the New Democrats under this Leader, all they would have is greater chaos in the system because of the mismanagement that they represent by changing their position every day, every month and every week. That is the kind of chaos that they would not want to have, Madam Speaker, I can assure him.

#### **Personal Care Home The Pas—Capital Project**

**Mr. Oscar Lathlin (The Pas):** Madam Speaker, in the spring of 1995, as I was walking down the hallway here one day, the minister who was then Minister of Health came chasing after me and grabbed my hand and told

me to congratulate him. He remembers that. When I asked him what for, he said: because I just announced a \$600-million capital, and that will include the construction of the personal care home in The Pas. Then he told me afterwards, he said: and you said it would never be done. Well, we all know that right after the election, that budget was scrapped and there went the personal care home in The Pas.

My question to the Minister of Finance (Mr. Stefanson) is: who should the people from The Pas believe, the CEO of Norman region who said it will never happen this year or the press releases of this government?

**Hon. Darren Praznik (Minister of Health):** Madam Speaker, I believe it is the St. Paul's facility in The Pas that the member refers to, which is a replacement of 60 hostel beds with a personal care home facility—is a project that is very much needed in that particular community. We would have wished that we could have proceeded with that full capital plan when we did, but we have had to manage the budget. We managed it in a way that we put a freeze on for the whole province, not just one community.

We now have the resources to begin that capital program and, as was announced in the budget, the financial authorities to build that facility are included in this year's package. I am not sure of the status of the work that has to go on with the planning, but I would hope that it can be done as expeditiously as possible to be in the ground. Regrettably, I am not an architect or an engineer, but the financial authorities to proceed on that basis are now in place.

**Mr. Lathlin:** Madam Speaker, my second question is directed to the Minister of Health. I would like to ask him to explain how it is that even now his government still does not have any design work or planning being done for this project, and yet he knows that his own government reports have shown that The Pas Health Complex is a firetrap.

**Mr. Praznik:** Madam Speaker, I am not quite sure which facility the member is—

**An Honourable Member:** St. Paul's.

**Mr. Praznik:** St. Paul's as opposed to The Pas Health Complex. I think the department has been aware. That

is why the replacement project is certainly on our priority list and one that has been approved. I would be very happy to share with the member for The Pas an update on the status of that project in terms of the architectural and design work, where it is at. I do not have that in front of me today. I would invite him, as we move through this project, to be a part of it and to share information for the benefit of his community. I would certainly make him aware of it as we progress, but the important point is that the financial authorities to proceed with that project are now in place with this budget, and we are going to get on with it.

\* (1345)

**Mr. Lathlin:** Madam Speaker, I would like to ask the Minister of Health if he can explain the statements made by CEO Gerry Hildebrand when he says here, and I quote him: Plans need to be drawn up before renovations and building can occur. He went on to say: This project will not happen this year as the government has not yet spelled out exactly what is going to happen.

**Mr. Praznik:** Madam Speaker, I cannot explain the remarks the CEO reported in the paper other than to say this: The capital budget was tabled as part of the budget statement of the Minister of Finance (Mr. Stefanson). Our department is in the process now of advising all the regional health authorities on their approvals. I can tell you that my Deputy Frank DeCock and I have spoken about ways of ensuring that we staff up our Capital Branch to move every project along as fast as is humanly possible. The details on each I do not have in front of me.

I am hoping that we are going to be able to move very quickly on all of these projects. Specific projects, I do not have an update on the timing or the state of the architectural plans for that project, but the financial authorities are in place. We will gear up that particular branch to work as quickly as possible to get these projects into the ground.

#### **Health Care System Government Action**

**Mr. Dave Chomiak (Kildonan):** Madam Speaker, my question is for the Premier (Mr. Filmon). Only in

Manitoba is there an inquest going on into the death of children at a children's hospital. Only in Manitoba has there been an inquest into death at a personal care home after we had warned the government. Only in Manitoba has a tertiary facility like HSC been faced with loss of its accreditation because the government cancelled its capital plan. Only in Manitoba is the other tertiary care facility facing loss of its accreditation because of government cutbacks.

Now, after 10 years, Madam Speaker, the Premier said this morning: we can look to improvements in our health care system after a year and a half. How do Manitobans expect us to believe this Premier after 10 years of terrible, inadequate management and not caring for the people of Manitoba?

**An Honourable Member:** Heartlessness.

**Mr. Chomiak:** Heartlessness.

**Hon. Gary Filmon (Premier):** Madam Speaker, virtually every one of the kinds of circumstances that the member opposite paints have occurred at various times in the recent past in many different provinces in Canada.

**An Honourable Member:** No.

**Mr. Filmon:** Absolutely.

Madam Speaker, in Manitoba we commit over 34 percent of all of our spending to health care. That is the second-highest level of any province in Canada. In Manitoba, because of the commitments of this government, we have tripled the investment that we make in home care and have been lauded all across Canada as having the best system in home care anywhere in Canada. We in Manitoba have added a thousand beds in personal care homes to make the transition to the community-based system for caring for people. We in Manitoba have made a commitment to hundreds more beds on the personal care bed side that have been announced by the Minister of Health (Mr. Praznik), that have been committed in the budget of—

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** Order, please.

**Mr. Filmon:** Madam Speaker, if the members opposite do not want to hear the answer, then they should not ask the question.

\* (1350)

### Nurse Recruitment

**Madam Speaker:** The honourable member for Kildonan, with a supplementary question.

**Mr. Dave Chomiak (Kildonan):** Madam Speaker, in Manitoba we have lost, according to MARN's statistics, 11,500 nurses down to 11,000. In light of what we have heard today with reports about the nursing incidents, will the Premier guarantee there will be more nurses hired back? How are you going to find those nurses to hire them back in a system that has been decimated by these bed cuts and the loss of confidence in this system, in this Premier and the way you have operated this system?

**Hon. Darren Praznik (Minister of Health):** Madam Speaker, several of the points that the member for Kildonan has raised in both his question and his supplementary question flag some of the fundamental problems in health care delivery systems across Canada. No one's fault; they developed over 30 years of building a system—[interjection] Now members opposite really do not want to listen, but I think this is a very key point, and if they spoke to New Democratic Party Health ministers in other provinces, they would have a better appreciation of it. We built a system when we brought in medicare, beginning in Saskatchewan, of an insurance scheme with private providers. We brought in a Canada Health Act with restrictions in funding, and we have built layer upon layer of administration and governance.

We are undergoing one of the major changes in health care probably in this century, as significant as bringing in the medicare system, right across the country. One of those shifts was from the acute care side to the community side. That resulted in those layoffs. Many of those nurses were picked up in other systems. As the system stabilizes, as we now see, there are many opportunities for people to go into the nursing profession. They will be there because the opportunities are there.

**Madam Speaker:** The honourable member for Kildonan, with a final supplementary question.

**Mr. Chomiak:** Madam Speaker, how can the minister explain the government's inability to hire nurses when the plan for just one—just one of their 12 or so regional health authorities is planning to hire a CEO, a VP corporate services, a VP regional programs, a VP support services, a VP human resources, VP administration, VP professional practice, chief financial officer, chief operating officer, VP health services, executive assistant and on and on and on, and they cannot hire nurses to man the beds that are resulting in loss or potential loss of accreditation in our health care system?

**Mr. Praznik:** I assume that the member is speaking about the Winnipeg hospital board.

**An Honourable Member:** No, he is not.

**Mr. Praznik:** Well, Madam Speaker, I am not sure which one in their plan, but in the case of our regional health authorities, as they gear up, all of them had to put in place their staff and operations to be able to do the job. The plan and the reality, as they work through those changes, is that they will be absorbing those dollars from what is normally spent on administration and facilities and to do it at the end of the day spending less. So it will result in a saving that will go directly back into health care. Does it happen overnight? Absolutely not. In fact, if they did it that way, the members would criticize us for not having in place a transition. So you cannot have it both ways.

Madam Speaker, when we last winter realized that we were facing the flu issue coming upon us, we did authorize funding for additional beds which meant the staff and the nurses for those beds to staff them, and they were hired.

### First Minister Apology Request

**Mr. Steve Ashton (Thompson):** Madam Speaker, if there was any doubt that after 10 years this government is becoming increasingly aloof, arrogant and out of touch, it is the statements made by this First Minister blaming the St. Boniface Hospital, suggesting that they

can fix the problem by cancelling surgery, blaming the management, blaming everybody except himself. I think anybody in this province right now knows there is a crisis in health care. I would like the minister to perhaps take the lead from some of those great, compassionate Tory Premiers, who have admitted their mistakes in recent days, and admit that his health care policies in this province have failed this province and apologize to the people of Manitoba.

**Hon. Gary Filmon (Premier):** Madam Speaker, the member for Thompson can play all the political games that he wants and attempt to misrepresent my comments in any way he wants. The truth of the matter is I have not blamed the people in the hospitals. That is his assertion and he is wrong.

\*(1355)

#### **Health Care System Government Action**

**Mr. Steve Ashton (Thompson):** Madam Speaker, the people of Manitoba heard what the Premier said.

**Madam Speaker:** Order, please. Would the honourable member please pose his supplementary question now.

**Mr. Ashton:** As a supplementary, I would like to ask the Premier what hope they can take from this rather incredible statement today made by the Premier that says that there will be a massive improvement noticeable by probably the middle of next year. When is the Premier going to recognize that we have a crisis in health care today and we need action today, not in 18 months?

**Hon. Gary Filmon (Premier):** Madam Speaker, many of the things that we are doing will have immediate impacts, positive impacts. Just last evening I was out at a gathering at which a number of women approached me and said how pleased they are that we are going to be funding two mobile breast screening units in the province.

The commitments that we have made that triple the amount of funding for home care are ones that we have

had many countless people stop us and thank us. They have immediate day-to-day impact in a positive way on the system.

What I was speaking about in the transcript that the member opposite quotes is the fact that when you are building personal care home beds, the time between the design, the engineering, the architect's work, the local—

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** Order, please.

**Mr. Filmon:** And the construction is approximately a year period. We have made the commitments. The construction will be done, and the work is underway. But I will not, Madam Speaker—if I were to have said that it is going to change it tomorrow, the members opposite would have been up tomorrow saying that it cannot be done by tomorrow. We operate with realism. We do not operate with fantasy and wishing that the members opposite—we do not stand and criticize and criticize without offering positive alternatives, and we are being realistic.

**Madam Speaker:** The honourable member for Thompson, with a final supplementary question.

**Mr. Ashton:** Thank you, Madam Speaker. When will this Premier recognize that the only person in this province living in fantasyland is this Premier who after promising in 1988 and 1990 and 1995 these kinds of planned improvements for health care that today, 10 years with his government in power, we have a crisis in health care? When will the Premier come out of fantasyland and deal with the people who are suffering because of his health care policies?

**Mr. Filmon:** Madam Speaker, every year that we have been in office we have been adding and adding and adding to the expenditures and investments in the system. I have been present at the opening of two personal care homes in North Kildonan, numbering I believe around 240 beds. We have opened the Riverview Health Centre with 140 beds, something of that nature.

**An Honourable Member:** Replace.

**Mr. Filmon:** Well, they are yelling "replace." I remember when they were in government for seven years and refused to deal with that issue. One of the oldest facilities, one of the most time-dated facilities that was in our system, and they refused to deal with it.

I have been at the opening of hospitals in areas such as Altona, in areas such as Minnedosa and all of those areas. These are commitments we are making. That is why we are spending \$600 million a year more on health care than they were when they were in office, and that is why the people of Manitoba can rely on us to continue to make that investment, because they know those improvements have been made and will continue to be made.

\* (1400)

#### **Education System Financing—Property Taxes**

**Mr. Kevin Lamoureux (Inkster):** Madam Speaker, my question is for the Minister of Finance. What Manitobans expect is a sense of fairness when they have to pay taxes. The people who live in Winnipeg School Division No. 1 do not get that sense of fairness. When I contact Beausejour, for example, if you live in a house of value of a hundred thousand dollars, you will pay \$760 in school tax. If you live in Winnipeg School Division No. 1, in a house of the same value, you are paying well in excess of a thousand dollars. I am pleading to the Minister of Finance: will he finally acknowledge the inequities of the financing of public education and make a commitment to deal with that issue?

**Hon. Eric Stefanson (Minister of Finance):** Madam Speaker, this is the same issue that the member for Inkster and I discussed just a day or two ago. I think if he looks at a property tax bill, he will see that it has three components. It has the municipal portion, which is about half of the tax bill. The other half is related to education, and that is split basically in half again with roughly half of it being for the education support levy and half of it being for the special levy. The education support levy is uniform across the province. The special levy varies significantly by individual school divisions based on choices they make in those divisions in terms of services, costs and so on.

So that is how the system currently works. That is one of the reasons why there are differences in terms of taxes in various parts of our province. Again, I challenge him—he is onto this issue—be constructive. Provide some alternatives, some suggestions as to how he sees—if he is suggesting shifting from property tax, how does he suggest those funds be provided?

**Mr. Lamoureux:** Madam Speaker, I am asking the Minister of Finance to acknowledge the inequities that are there in the financing of public education. I know what it is that he is speaking of in terms of the splitting of the taxes. The bottom line—and I ask the Minister of Finance—is to finally acknowledge today that there are serious inequities when you have people who live in a house of the same value paying well in excess of a thousand dollars in one area of the province and others who are paying well below \$800. There is a serious inequity there. When is this Minister of Finance going to deal with that issue?

**Mr. Stefanson:** Madam Speaker, if the houses are of the same value—and we currently in Manitoba have a market assessment which adjusts the values every three years—the difference in the tax bill is a result of the mill rates, either a combination of the municipal mill rate or the special levy mill rate, because the education support levy is the same province-wide. So those are decisions on the municipal—those are decisions made at the municipal level in terms of the kinds of services they are going to provide to those communities. On the special levy, again those are decisions made at the individual school division level in terms of the types of services, the quality of services, how they end up settling with the collective bargaining with their teachers, with their other employees and so on. So those are the factors that cause the kinds of differences that the member is referring to.

**Mr. Lamoureux:** Madam Speaker, the Minister of Finance is wrong.

**Madam Speaker:** Order, please. The honourable member for Inkster was recognized for a final supplementary question on which no preamble is required.

**Mr. Lamoureux:** Madam Speaker, can, then, the Minister of Finance tell my constituents why

collectively every year they have to pay millions of dollars more towards public education than other constituents throughout the province of Manitoba? Why do those constituents have to do that? Can the Minister of Finance explain to my constituents that simple question?

**Mr. Stefanson:** Madam Speaker, I would suggest to the member for Inkster that that might be a good question that his constituents ask the school trustees for that area because, as I have already explained to him, the education support levy, the mill rate for that levy, which is set by the province, is uniform right across the province. Where we have differences are on the special levies which are different for each individual school division across our province, and that is for a range of reasons. It is for the level of teachers' salaries, other salaries, other services, other costs and so on. So that certainly is an appropriate question for him and his constituents to be asking the trustees in that particular school division.

### **Flin Flon General Hospital Capital Projects**

**Mr. Gerard Jennissen (Flin Flon):** Madam Speaker, my question is to the Minister of Finance. Further to the questions posed earlier by my honourable colleague from The Pas, Flin Flon was also promised a personal care home on March 16, 1995, and this project, along with many others, died after the election.

Could the Minister of Finance tell the residents of Flin Flon why he is quoted in the Flin Flon Reminder as stating that funds have been slated to renovate a second dialysis station at the Flin Flon General Hospital, when the CEO of the Norman Regional Health Authority says this project and other renovations at the hospital will not happen at all this year?

**Hon. Darren Praznik (Minister of Health):** Madam Speaker, I have not had the opportunity to speak with the CEO of that health authority to determine exactly what the CEO has said. I seem to get the sense that a line out of a story is somewhat reverberating here and being applied to every particular situation. I will endeavour to find out exactly what the timing is on those projects. The authority, the financial authorities are in place. I am not sure what work has to be done in

terms of architectural design, engineering, et cetera, but it sounds like providing for a dialysis unit should be able to move forward relatively quickly, and I will endeavour to find that out, the specifics, for the member for Flin Flon.

**Mr. Jennissen:** To the Minister of Health, Madam Speaker: if the projects listed in government press releases are not going to actually happen in the same year of the releases, why other than to try and confuse the public did this government put out these releases?

**Mr. Praznik:** You know, Madam Speaker, I have followed politics most of my life, and I remember growing up in the Selkirk constituency, our MLA in 1969—then became MLA—Howard Pawley, promised a hospital in 1969; he promised it again in 1973; he promised it again in '77; and the Conservatives under Bud Sherman built it in the 1980s. So I make that point only to illustrate that there are a number—and if the member would like a detailed discussion on the process for capital improvements, whether they be in Health or Highways or other areas, I would be delighted to do it, but there are a number of processes that have to be gone through. One has approval in principle, one has design, et cetera, funding for construction. Each step has to be gone through. We have the financial authorities in place to build these projects. If the designs and plans are not there ready to go, that work has to be done. Surely to goodness the members would not want us putting out the contract without having a plan for the contractor to build.

**Mr. Jennissen:** To the same minister: when will the Minister of Health list the actual dates of construction, costs and details of any of these proposed renovation projects at the Flin Flon General Hospital so that Flin Flon residents can judge for themselves whether these are indeed real commitments and not just more so-called announcements?

**Mr. Praznik:** Madam Speaker, the member certainly flags what I would consider to be a reasonable expectation. As we work through the details on each of these projects, we will want to convey that to the communities. With respect to things like specific costs, as the member may note, we have estimates of costs for projects, but ultimately until they are tendered and we have the results of tenders, the specifics of course will

not be known, only our estimates. But I would invite the member, as we develop the details of this plan—and as I have indicated earlier, I have asked my deputy to ensure that our Capital Branch is staffed sufficiently to be able to get on with these projects as quickly as possible. We appreciate the urgency of them. We are certainly not happy that there was a delay in many of those projects, and I would be delighted, through my office, to keep the member informed so that he can ensure his constituents are well aware of the progress of these projects.

### **Brandon General Hospital Physician Resources—Pediatrics**

**Mr. Leonard Evans (Brandon East):** Madam Speaker, I would like to address a question to the Minister of Health, who should know that we are now in a crisis situation in Westman because the two remaining pediatricians have now formally advised that they intend to withdraw their on-call services at the Brandon General Hospital tomorrow because they are overworked, underpaid and frustrated after many, many months of fruitless negotiations. The CEO of the regional health authority has publicly stated that he has no role in the dispute and that negotiations are directly between the minister's department and the Manitoba Medical Association. He said that regardless, he has no money to pay—

\* (1410)

**Madam Speaker:** Order, please. Would the honourable member please pose his question.

**Mr. Leonard Evans:** Will the minister now take necessary action to deal with this crisis and ensure the people of Westman that pediatric services will continue to be offered at the Brandon General Hospital after tomorrow?

**Hon. Darren Praznik (Minister of Health):** Madam Speaker, the member is quite right in quoting the comments of the CEO, and the CEO is very accurate. The issue as to levels of remuneration for services that physicians provide is a matter that is dealt with by the Ministry of Health, the Province of Manitoba with the representatives of physicians, the Manitoba Medical Association. The last thing I think we would want to get into is what we had happening across the province on occasions in the past where special arrangements

were negotiated between individual hospital boards with physicians, and we ended up with a very, very different system of remuneration.

I can tell the member that the Ministry of Health did offer to recruit a pediatrician from South Africa. That was not accepted by the regional health authority. That person may have been able to have been recruited to come into that place. We also worked with them to convert our fee for service into an alternative payment arrangement which would have resulted in a payment of nearly \$175,000 a year per physician, which I think the member would agree is not an underpayment.

**Madam Speaker:** The honourable member for Brandon East, with a supplementary question.

**Mr. Leonard Evans:** Exactly what will the minister do to deal with this crisis tomorrow that is a threat to children and their families in the Westman area? Because the solutions he talks of are long-term solutions; they may work in the long term, but they will not address the crisis that exists right here and now.

**Mr. Praznik:** We use the word “crisis” sometimes loosely, and sometimes it becomes used for issues. Surely when we have a significant amount of dollars on the table, this is really a negotiation. We are beginning the process of negotiating a new contract with the Manitoba Medical Association, and that has to be dealt with on a province-wide basis; otherwise it will just not work. It would not be fair to other physicians.

I understand that the Brandon Regional Health Authority has done work to provide provision of service for people in Brandon in emergency situations. It is not the most desirable situation, but the member well knows from his background in labour that when you have these disputes happen, sometimes they are not always resolved quickly or the way one would like it, but alternative arrangements, I understand, have been made by the Brandon Regional Health Authority.

**Madam Speaker:** Time for Oral Questions has expired.

### **Speaker's Rulings**

**Madam Speaker:** I have two rulings for the House.

I am ruling on a matter I took under advisement on May 27 during Question Period. The opposition House leader raised a point of order about the orderliness of an answer provided by the honourable Minister of Justice (Mr. Toews) to a question posed by the honourable member for St. Johns (Mr. Mackintosh). The answer was: "I note how the member, on the one hand, slams the professional people who are working in our public service and that he in fact seems to derive a certain amount of pleasure out of criticizing public servants."

The honourable member for Thompson (Mr. Ashton) did have a point of order in that the Minister of Justice did contravene Beuchesne Citation 417 because the reply did not appear to be responding to the question asked. I cannot sustain the charge that the minister was imputing motives, but I would encourage all ministers when replying to questions to respond directly to the matter raised in the question.

\* \* \*

I took under advisement on June 19, so that I could review Hansard, a point of order raised by the government House leader during Question Period. The point of order concerned the use of the word "fraudulent" by the honourable member for St. Johns (Mr. Mackintosh) in putting a question to the Premier. The word was used in the question: "Will he admit that the election promise that he made at the Remand Centre and before all those lights and cameras was fraudulent ..."

Beuchesne Citation 490 on page 148 shows that the word "fraudulent" has been ruled to be parliamentary, but Citation 489 on page 145 shows that the word "fraud" and the words "fraudulent character" have been ruled out of order in the House of Commons. We have several Manitoba Speakers' rulings on the use of the words "fraud" and "fraudulent." I would also draw the attention of the House to Beuchesne Citation 491, which on the subject of language reads in part: "A word which is parliamentary in one context may cause disorder in another context, and therefore be unparliamentary."

In the matter raised on June 19, I am ruling that the government House leader did not have a point of order, but based on previous Manitoba precedent, I would

urge all honourable members to pick and choose their words with care so as not to cause disorder.

\* (1420)

## MEMBERS' STATEMENTS

### Fiscal Stabilization Fund

**Mr. Leonard Evans (Brandon East):** I want to take this opportunity to discuss the bottom line in the budget, which I would maintain, Madam Speaker, has become a meaningless figure. The question of whether we have a surplus or a deficit in this province is meaningless because of the shell game that is going on with the Fiscal Stabilization Fund. If members would look at the financial statements as reported in the budget, you will see a footnote that \$60 million has been added to revenue, just a little footnote. It is not on the line where it usually has been over the years, but there is a footnote there adding \$60 million. If that \$60 million had not been added, we would not have had a \$23-million surplus but rather a \$37-million deficit. So now you see it, now you do not.

The interesting thing is, after putting in the \$60 million to be able to show a \$23-million surplus, what happens to the \$23-million surplus? It is then put back into the Fiscal Stabilization Fund. So you take \$60 million out, and then you put \$23 million back in. So the music goes around and around and it comes out here. You can look at this. You can see this on the end of document here. Here it is: \$23-million budget surplus going back into the fund after you took \$60 million out to make the books look good. If you were really increasing the spending on health care by \$100 million, if that was another real \$100 million, we would be showing, just as it stands now, a \$77-million deficit, instead of a \$23-million surplus. So, Madam Speaker, I say categorically, this is a political document, a political budget. It is misleading to the people of Manitoba, and it is becoming more confusing as the years go on.

There has been a lot of history here, where we have seen the government do this in the past, but this year, above all, it is just totally fraudulent in the way it has been presented to the people.

### AECL-Pinawa

**Mr. Ben Sveinson (La Verendrye):** Madam Speaker, I rise today to express my extreme disappointment with the federal Liberal government in relation to the AECL lab in Pinawa. A critical deadline in the commercialization process passed last Monday when the federal government failed to present their formal plan of action for the facility. Upon news that the federal government intended to shut down AECL, the Filmon government took immediate action to try and reverse that decision. Our government recognized that if AECL were closed down, it would be a tremendous loss to Pinawa and all of Manitoba.

During the fall session of 1996, I introduced a private member's resolution calling on the federal government to provide a long-term commitment to the Whiteshell Laboratories. In the course of that debate, members opposite repeatedly referenced their numerous trips to Pinawa and the importance of the facility in our economy, but they failed its 1,800 employees by talking the resolution out. Madam Speaker, even the Liberal members of this House acknowledged the need to pass that resolution, and I thanked them for that.

For over two years the employees of Whiteshell Laboratories and the residents of Pinawa have been put through the uncertainty and trauma of not knowing whether they would have a job or a source of income for the future. This has had a very significant effect on the health and well-being of those affected and on the community.

The survival of the community of Pinawa and the significant economic contribution of Whiteshell Laboratories to Manitoba are at a critical juncture. The commercialization of this facility must be completed in the near future and provide the foundation for the future growth and development of eastern Manitoba.

Earlier this week the Minister of Industry, Trade and Tourism, the Honourable Jim Downey, wrote to the federal Natural Resources minister and requested an immediate meeting to discuss the crisis which threatens the future of Whiteshell Laboratories, its employees and the community of Pinawa and the economy of Manitoba. I strongly urge the federal minister to take action. Thank you.

### Health Care System

**Mr. Steve Ashton (Thompson):** I mentioned earlier in Question Period that this government is increasingly aloof, arrogant and out of touch, and most noticeably the comments made again by the Premier (Mr. Filmon) in this Chamber show that he has no idea that Manitoba's health care system is in crisis. In fact, Madam Speaker, I challenge the Premier to go and visit some of our hospitals, to go visit, like we did, at St. Boniface, to talk to the staff at the St. Boniface Hospital, to talk to the patients. They will tell the Premier that his health care policies are not working and that there is a crisis in Manitoba health care.

I want to say, Madam Speaker, that there is a crisis for the increasing number of people who are being bumped from elective surgery, so-called elective surgery, because of the mismanagement of our health care system—people like Alice Larson who came from the isolated community of Thicket Portage, arrived in Winnipeg, went down three days later and found that her surgery had been cancelled and ended up having to stay in Winnipeg for a week because of that; people like a constituent of mine today who had surgery cancelled at Misericordia, along with eight other patients; people like Fred Cordell from Pikwitonei who has been told time and time and time again he is going to have to wait for cataract surgery.

Madam Speaker, the reality is that we are in a crisis situation, and it is in very large part because of this government's policies. In 1988 they promised a plan for health care; in 1990 they promised a plan for health care; in 1995 they promised a plan for health care, and today we have the Premier saying, well, there will be massive improvement, noticeable by probably the middle of next year. I want to suggest the only way we are going to get improvement in health care by the middle of next year and hopefully earlier is if there is an election and we elect an NDP government that is concerned about health care.

### Crime Prevention Office—Portage la Prairie

**Mr. David Faurschou (Portage la Prairie):** This morning, I, along with the Minister of Justice (Mr. Toews) and the mayor of Portage la Prairie, attended the official grand opening of Portage la Prairie's new Crime Prevention Office. I would like to congratulate

all those involved in this initiative, especially Ms. Marie Barrett, our crime prevention co-ordinator, for working so hard in finding this location.

Ms. Barrett has spent many hours with the RCMP detachment in Portage la Prairie, and I am confident that she will be very successful in her position. The importance of having a civilian crime prevention co-ordinator cannot be overstated. Ms. Barrett will, in her capacity, free up time for the local RCMP members so they can put their energies forward in time more efficient and as well enhance the operation of the community crime prevention programs.

As a member of the Neighbourhood Crime Watch, I know that crime prevention begins in our own homes. Many of my neighbours are Block Parents, members of the Neighbourhood Crime Watch and active in the Citizens on Patrol program. I am pleased that our government recognizes the importance of these projects by contributing \$86,000 over the next two years. Our government's partnership with the City of Portage la Prairie has made this project a reality. Portage la Prairie is the first rural community to undertake such a project, and I believe we can serve as a model for all communities in Manitoba. Thank you, Madam Speaker.

**Madam Speaker:** Order, please. The rotation today is two members of the official opposition, two members of the government and one member from the independent. However, in order to expedite the process, I would suggest that members be a little bit more alert and on their feet a little more quickly so as to avoid the confusion.

### **Education System Financing**

**Mr. Kevin Lamoureux (Inkster):** Madam Speaker, I thought maybe what I would do is take advantage of members' statements just to add a little bit to the question that I had asked earlier. There is a very serious inequity, as I have pointed out, with respect to the way in which education is in fact being financed. I look at education, in most part, in the same way I do health care. We have a publicly financed health care system. Equally, we have a publicly financed educational system. I believe, ultimately, that it would be wonderful to see that education system financed

through general revenues, but recognize the fact that that is something that has to come over time, that you cannot do that overnight.

What really concerns me is that over the years what we have seen is a gradual increase in the reliance of financing public education on the property tax and the portion of the property tax which is most inequitable, and that is the portion in which the school divisions collect for funding of education, to the extent where we have some residents of school divisions paying literally hundreds and hundreds of dollars more just because they happen to live in a certain area of the province of Manitoba. To me, that is not fair and the government needs to recognize that inequity and has to deal with it. This government has not dealt with it, and it is their responsibility. They cannot pass it off on, well, it is the school division, school divisions provide different programs and so forth, because one could use that same sort of a logic, if you like, for health care. There are certain regions in the province that require more health care services, yet no one is penalized, no certain area is penalized geographically in the city of Winnipeg.

With those few words, Madam Speaker, I thank you for allowing me the opportunity to speak.

\* (1430)

## **ORDERS OF THE DAY**

### **BUDGET DEBATE (Fifth Day of Debate)**

**Madam Speaker:** To resume adjourned debate on the proposed motion of the honourable Minister of Finance (Mr. Stefanson) and the proposed motion of the honourable Leader of the official opposition (Mr. Doer) in amendment thereto, standing in the name of the honourable member for Burrows, who has 29 minutes remaining.

**Mr. Doug Martindale (Burrows):** Madam Speaker, yesterday I said I would table "on your side . . . An Update for Manitoba's New Democrats," and I would like to do that now. I would also like to continue reading the comments that my constituents sent to me via a mail-back that I recently did, and they had some things to say about child poverty. For example, they

said this should not be allowed to happen in this province, let alone in this country. We need to discourage child poverty. Number one in child poverty, No. 1 in teen pregnancies.

Well, it is interesting how, when you reach No. 1, people remember it and then, when you drop to No. 2 or No. 3, people do not pay attention to those statistics. All they do is remember that you were No. 1 and they think we still are No. 1 in terms of child poverty. Regardless of whether we are No. 1 or No. 3, the statistics on child poverty in Manitoba are absolutely appalling, and I believe we are very high, if not the highest, in teen pregnancies.

Someone else said child poverty in some cases is approaching Third World status. Poverty and crime are interactive. You have one with the other in most cases. There should be more subsidized child care, so that low-income earners can afford to send their children to daycare after school instead of home to get into trouble because there is no one there.

My constituents had this to say on jobs and wages: since the Conservatives have been in power Manitoba has lost many large corporations to either another province, the States, or even Mexico. Increase minimum wage to a level that is significant to the cost of living for the next century. President Clinton stated that he would raise the minimum wage by \$2 by the year 2000. The Conservative government has been responsible for a number of job losses and increased unemployment to the levels not seen since the 1930s.

Now, I think here we are also dealing with perception, but if you live in the north end and the unemployment rate is double or triple or more of what it is in the city of Winnipeg, it probably does feel like the unemployment rate is the worst since the 1930s.

About the government, someone said the government should stop misleading people—I am paraphrasing here—misleading people that there is no money. Do something useful with the surplus. The government is paying no attention to the Provincial Auditor and the Public Accounts committee. Now, I thought that was a rather enlightened comment, because most people probably do not know what the function is of the Provincial Auditor and probably do not follow

very closely the Public Accounts committee, which is usually only in the news once a year or so when they meet.

However, the Provincial Auditor has had a lot of things to say about the Public Accounts committee and how it could be improved. I am pleased that one of my constituents noted this. I wish I had known who it was, so that I could send them the Auditor's annual report, but we will be hearing more about this, because our members on the Public Accounts committee, including the member for Broadway (Mr. Santos), who is the chairperson, will be trying to bring about the reforms that the Provincial Auditor is recommending for the Public Accounts committee so that we as members of the Legislature can hold the government more accountable for their spending policies, something that is difficult to do if you do not have the proper information.

Mind you, it is difficult to do at the best of times when the government provides misleading information like suggesting that they are going to spend \$100 million more this year than last year in health care. It is very interesting to watch and to listen to the answers of the Minister of Finance (Mr. Stefanson) to our questions about that, because he very cleverly says: budget over budget. Well, that may be true, budget over budget, but he does not want to admit that if you look at actual spending compared to budgeted spending the difference is very, very small, and the reason being that extra funds were authorized by way of special warrants.

We probably will not have the proof of this until Public Accounts are published for the most recent fiscal year, but I think it will prove our case that this government was using phoney numbers in their budget to mislead the people of Manitoba into thinking that they are spending more money on health care when in fact the amount—well, misleading people into thinking they are spending \$100 million more in health care when the actual amount is more like a million dollars, a big, big difference.

One of my constituents also said: the Speaker of the Legislature should be elected by the Legislature instead of appointed by the Premier. I think if this Premier were smart he would bring in a bill to amend the

election of the Speaker before the end of this Legislature.

On taxes, someone said that large corporations are not paying their share of taxes. On gambling, someone said that all VLTs should be removed from bars, restaurants, et cetera. They are a menace to our society and a shameful grab of low-income earners' money, preying on the naive and weak.

We have supported a petition to ask the government to allow for plebiscites so that people in municipalities can vote on whether or not they want VLTs in their municipality. These petitions are being mailed out to all over the province and it will be interesting to see the kind of response that we get. Certainly plebiscites are the kind of idea that this government should not be adverse to. However, I doubt very much that they will amend the legislation to allow for plebiscites.

One of the many things that was lacking in this budget is attention to problems of Burrows constituency and to the inner city as a whole. In fact, the member for Brandon East (Mr. Leonard Evans) in his Budget Address talked about the social deficit. Certainly, there is a big social deficit, and in some cases the government is pretending to address these issues, for example, in health care, in other cases totally ignoring the social deficit so that in my constituency where we have probably hundreds of vacant houses and placarded houses—that is, placarded by the Health department as being unsanitary—there is nothing in this budget to address that, either by having more housing inspections or by having a housing renovation program either for landlords or for tenants or an infill housing program to fill in the many, many vacant lots in the inner city.

We have declining property values. In fact, one of the City of Winnipeg health inspectors tells me that property values have probably declined by a third in the inner city, or at least in the north end in his area, in recent years, and that is something that affects me. For example, our house on St. John's Avenue was assessed at \$59,000. The city lowered that to \$56,000. I talked to a real estate agent recently who said I could realistically expect to get \$35,000 to \$45,000 for our house, which means that the value of our property is drastically declining. I certainly empathize with my constituents. For example, a police officer who has a

very nice house, a house that I have been in, just west of Arlington Street, he put all new ornamental brick in the front of his house. He extensively re-drywalled the interior, put in a new kitchen, a new bathroom, put in a recreation room in the basement, completely finished the basement, and he listed his house for \$79,000. He could not even get one person to come and look at the house because as soon as they found out it was in the north end, they were not interested. So we have hundreds, maybe even thousands of property owners in the inner city with property values in extreme decline.

\* (1440)

And what does this government do? This government encourages suburban sprawl. They encourage the development of Headingley. They encourage the development of commuter communities in the ex-urban or commuter-shed area around the city of Winnipeg at the expense of the inner city and at the expense of, I would say, the city of Winnipeg and all property owners in Winnipeg, and the only explanation that I can see for that is that they hold the seats in the Legislature for those areas around the city, and they do not represent people in the inner city, so they do not care about our problems and our declining property values. [interjection] Well, there is a significant exception, and that is that we represent the constituency of Selkirk, and I hope that we will for many, many years.

Now, my constituents are extremely poor. I came across a breakdown of incomes according to postal code, and this identifies the total median incomes for 1995. Three of these postal codes are in Burrows constituency, and one of them is the lowest median income in the entire city of Winnipeg. Those postal codes are R2X which is north Winnipeg west of Arlington where the median income is \$16,200 a year; R2W, north end, \$13,500; and R3A Winnipeg centre, north of Notre Dame Avenue, \$10,800 a year.

What is there in this budget to address the concerns of these people who are earning extremely low incomes? Very, very little. There are some things that this government is doing to make it look good and to make it look as if it is concerned about these problems, but I thought the most telling comment was by David Northcott, the executive director of Winnipeg Harvest

food bank. He said: I think there are a lot of really good parents out there who just need a few extra dollars each month to buy groceries. They do not need to be told how to be good parents.

This is in response to the government allocating money for a bunch of programs for children which in themselves are probably, in a small way, going to help a small number of people, but they do nothing to address income poverty. What they do is they provide programs for nutrition or early childhood education or whatever, which we are in favour of, especially if it means more children can access affordable child care, for example, but it does absolutely nothing to address income poverty. The reason is—and I think it points to a fundamental difference between us and the government—that this government does not trust people. They particularly do not trust poor people. In fact, this government has been guilty of poor-bashing over the last number of years, beginning in 1994 with the welfare snitch line.

So we get the Minister of Family Services (Mrs. Mitchelson), for example, saying that there is no guarantee that if you give people more money, they will spend it on basic necessities. Well, of course, there are no guarantees. There are no guarantees for almost anything in life. There are no guarantees that when the government announces they are going to build continuing care facilities before an election that after an election they will actually build them, or, that when they say they are going to solve the crisis in health care that they are actually going to solve it. But I think that the vast majority of people, if they are given a little bit more money, will make the right decision and buy food for their family, avail themselves of better housing or clothe their children better.

Some of the problems that people experience are absolutely appalling. Yesterday, I got a phone call from an employee of City of Winnipeg Social Services; that is the city's welfare department. One of my constituents has five children. She is pregnant, and her husband left her. She is having trouble getting enrolled in the mother's allowance program, the provincial welfare program. The worker said that one of her clients had to sign an affidavit saying that the ex-partner was no longer living in the house. So, the individual phoned me and said, Mr. Martindale, can

you help me? I have no food in the house and I am waiting for my cheque. I went to pick it up, and they said it is in the mail. So, what am I going to feed my five children? I have no food in the house. I said, well, I will help you. So, she phoned me back in the afternoon to say her cheque was not in the mail. I went to Atlantic Garden City United Church and picked up some groceries and delivered them to her.

This sort of thing should not have to happen, but it does frequently. We know how often it happens because we know the number of people that are using food bank outlets. We know that about 40 percent of all the users of food banks are children, at least in the city of Winnipeg.

I have in front of me the News Basket, which is the newsletter of Winnipeg Harvest Food Bank, for January 1998. I would like to quote from it. It says the United Nations Development Program found Canada to be the best place in the world to live, and our government modestly takes much of the credit. In 1989, Ottawa promised to eliminate child poverty in Canada by the year 2000. Campaign 2000 was born.

Well, what has happened since 1989? Has the number of poor children declined or has it risen? Well, unfortunately, the number of poor children has risen by 58 percent since November 1989, and that was only until 1995.

I continue to quote: Our expectation had been that by 1998, two-thirds of the way to the year 2000, we should have approximately only 300,000 children living in poverty. The actual number is 1,472,000. Canada may be the best place in the world to live for some but not our children. I continue to quote from this newsletter where it says 1997 was the year social allowances in Winnipeg distributed to their recipients a list of food banks, soup kitchens and clothing depots. This is the first time that social allowances has openly acknowledged that the amounts people are entitled to does not cover their basic human needs. I think that is absolutely appalling that the system and the provincial government would actually admit that.

Now I would like to begin to wind up here by addressing some comments to our amendment to the Budget Debate by our Leader which says that we regret

that this budget ignores the present and future needs of Manitobans by (a) failing to address the crisis in health care. Well, not only has this government failed to address the crisis, but it seems that the Minister of Health (Mr. Praznik) blames everyone and takes no responsibility.

I quote the Winnipeg Sun for Saturday, February 21, 1998. There are some very interesting comments here that I think the Minister of Health probably regrets that he ever made, and I quote: Give me a break. You know I am just tired of this crap. He says these guys get paid more money than I do to run their hospitals. He says be realistic. What do you expect out of us? Well, we expect that this provincial government would plan, that they would carry out their election promises, that they would not have to wait until there is a crisis, that they would not have to wait until people are on stretchers in hallways before they do something about the problem.

**Ms. Diane McGifford (Osborne):** In fact, real health care.

**Mr. Martindale:** In fact, real health care, as my colleague for Osborne says. I think probably this government regrets, in a major way, that they cancelled those capital expenditures in 1995 after the election. They may even regret their balanced budget act which forced them into some of this stupidity, because they could have very easily said we are going to exempt capital expenditures, because we know that when you build highways and you build hospitals and you build schools you have a capital asset. I think the public would have been quite prepared to say, yes, we think it makes sense to borrow money to build hospitals or to build personal care homes and to amortize it over a number of years.

Certainly, we think that you should balance your operating budget, but I think this government probably regrets that they did not start construction of those personal care home beds in 1995. If they had, some of those buildings like Betel Home, where they had the sod turning, would have been open by now, and they would not have this crisis in the hospitals on their hands.

We also regret that this government has failed to relieve the stresses on our education system, and one of

those stresses has to do with facilities. At Sisler High School, where one of our pages today attends, they have asked for two different kinds of renovations and improvements. They got one but not the other; the other one is going to be quite interesting. I have encouraged the students to go to the Manitoba Human Rights Commission and file a complaint because, in effect, the girls have no change rooms. This is not fair that our women athletes at Sisler High School should have to change in the washrooms.

We have some very good athletes there. In fact, Sisler Varsity girls defeated the Kelvin High School and then they defeated Daniel Mac, their archrivals, to win their division title. They are proceeding to the conference or city-wide finals this weekend, and we wish them luck. But we were very disappointed. The parent council that I am part of at that school was very disappointed that the government has not agreed to provide adequate facilities in terms of change rooms for students.

We also regret that this government has failed to provide new hope for Manitoba children which I have already talked about, and we regret that they have failed to provide new opportunities for aboriginal Manitobans. There have been some minor announcements in this regard, all of which I think are designed to make this government look good, but none of which have to do with fundamental changes in the way our society relates to aboriginal people.

\* (1450)

As we have pointed out time and time again, we have said that we endorse the recommendations of the Aboriginal Justice Inquiry and of the federal government's Royal Commission, and that we expect this government to move in areas of their jurisdiction, and yet they have implemented almost none of those recommendations. There are some pilot projects. There are some success stories like the Hollow Water Healing Circle, but we think that those could be replicated in many, many communities. Just one small example that we have endorsed is to have youth justice committees in every community in the province of Manitoba, because where they have been implemented, whether it is in the city of Winnipeg or in rural Manitoba, they have been extremely successful.

I remember being at an interagency meeting and hearing a report from the staffperson for the aboriginal youth justice committee in the north end of Winnipeg, and we were told that in the first year not one of the young people who appeared before them reoffended. With success stories like that, we think that it needs to be replicated in as many communities in Manitoba as possible, and we would hope that this government would do that. However, they will probably do no such thing until it is time to make announcements before the next election and hope and expect that people will believe them when, in fact, we listened to many announcements before the last election, the best example being that they would build hundreds of personal care home beds and then after the election to cancel those promises, a decision which I think all of their members are regretting now because, when it comes to the crisis in health care, they are in big, big trouble.

With those remarks I am going to conclude. I look forward to hearing the debate of all honourable members.

**Hon. Leonard Derkach (Minister of Rural Development):** Madam Speaker, I am pleased to rise this afternoon to add my comments to those of my colleagues with regard to a very positive Budget Address, but let me begin by first of all offering my congratulations and my welcome to the new pages in the Assembly. I did not have an opportunity to do that during the Throne Speech Debate, so I would like to extend my welcome and my congratulations to the pages for serving our Assembly here in the way that they do. In addition to that, I would also like to congratulate the member for Portage la Prairie (Mr. Fauschou), a new addition to our Assembly, indeed a very good addition to our side of the House and to the Assembly of Manitoba. Indeed, I know he will serve his constituents in a very honourable way.

Madam Speaker, I would like to begin by first of all congratulating the Minister of Finance (Mr. Stefanson) on an excellent Budget Address, one that I would like to say my constituents are extremely pumped about. They are extremely happy about the approach that has been taken with regard to the economy of our province with regard to the fiscal responsibility that this government has accepted and indeed the direction that

has been set by this government and this Minister of Finance.

Madam Speaker, I would also like to congratulate the minister who travelled throughout the province to consult with more than 2,000 Manitobans to set the priorities for this budget. Again, it speaks to the openness of this government, the openness of this Minister of Finance to ensure that the grassroots of our province indeed have a say in what the direction of their province should be in setting the budget and in progressing ahead with the growth of our province.

Madam Speaker, in just over a month our government will be celebrating 10 years of service to Manitobans. The goals and objectives that we began with have remained consistent until today, and that was to help build a social and economic climate that will improve the quality of life for all Manitobans for now and for the future. In short, we have been working with all of our constituents and citizens of this province to make our great province the best place in which to live, to work and to raise a family.

Madam Speaker, it is the continued support from all Manitobans, regardless of where they live, that has allowed us to stay the course of fiscal responsibility, but I must divert for just a moment, because the NDP have been on what I call a campaign to nowhere over the past while, and they are not fooling Manitobans. That is why I call it the campaign to nowhere, because Manitobans understand them only too well.

Madam Speaker, the NDP have launched a campaign to criticize our government as tired and old and without a vision. They say that our government, a three-time winner, might I say, is no longer able to lead the people, and they want those same people to give over the reins of government to the NDP. Well, Manitobans are smarter than that. They are not prepared or have no desire to put their trust into an opposition that has no vision, that is a dinosaur and a three-time loser. It is just simply not going to happen.

*Mr. Marcel Laurendeau, Deputy Speaker, in the Chair*

Mr. Deputy Speaker, Manitobans chose us a decade ago for our sound fiscal management, for our vision of a solid economic framework towards sustaining a

climate of growth. Now all of our citizens are reaping the benefits of a government that has kept its focus on doing the job that it was chosen to do, to lift the burden of too many years of debt off their shoulders that was placed upon them by the uncaring government of the day, and that was the government that was led by Howard Pawley.

The 1998-99 budget, Mr. Deputy Speaker, continues a tradition that was started by us some four years ago to reduce the debt for the fourth straight year and the fourth straight time, and this time we are able to double the amount of payment that is going to reduce the debt. What this does is it allows us to use those scarce dollars that were being wasted on interest payments to be used for programs, and all Manitobans are benefiting as a result of this fiscal management that has been undertaken by our government.

Mr Deputy Speaker, the good fiscal management, combined with a strong economy, has enabled us for the fourth consecutive year to table a balanced budget. As a result, this year more than ever, the benefits are going to be shared by all Manitobans through such things as tax cuts, improvements in health and education, social services, and indeed to deal with every aspect of our society, seniors, our youth, our children, throughout the entire province. We are not leaving anyone out in terms of everyone sharing in the benefits of this budget.

In addition, to continue our record of no new taxes, which is Canada's longest running tax freeze of more than a decade, we have now been able to introduce a 2 percent cut in personal income tax, Mr. Deputy Speaker. Manitobans are going to begin to see the benefits on their pay cheques beginning in July. We also continue with further tax reduction in strategic areas, giving Manitobans the confidence to invest in the future of our province and in their own future. Our focus over the last 10 years has been to wrestle down the debt, to reduce spending, to get our fiscal house in order, and it has been no small feat. It has required focus. It has required determination, and it has required commitment toward the greater common good.

Again, Mr. Deputy Speaker, I must divert for a second. I have to refer to a comment from the member for Crescentwood (Mr. Sale), and perhaps it is a good

time for him to swallow his words, which is going to be somewhat difficult, and to eat some humble pie, because when we first introduced the balanced budget legislation, it was the member for Crescentwood who said that the bill was destined to make Manitoba the laughing stock of the financial management world.

Mr. Deputy Speaker, I would like you to know what the financial world really thinks about this legislation. It was at the McGill Graduate Business Conference of March 1996, when the Premier (Mr. Filmon) of our province was acknowledged for transforming and maintaining Manitoba's economy into an international success story that was well known, not just in this province, not just in this country, but indeed all around the world. As a result, Manitobans today are able to keep more of their own money in their own pockets for their own use. Imagine if none of this had been done. Imagine where we would be today. Imagine what our debt load would be. This is not the kind of legacy that I want to leave to my children or their children, and I am sure that not anyone in this House wants to leave a legacy of debt to their children and their grandchildren.

\* (1500)

But, Mr. Deputy Speaker, all Manitobans, all citizens of our province, have contributed to this success. It has been a partnership, a partnership between the provincial government, local governments and indeed all citizens of our province. In particular, I want to acknowledge not only all of these people, but indeed the people who have worked for government. Those are the people who work for us in the various departments for the government of Manitoba, because through their efforts and through their commitment, we have been able to operate with significantly less government. We have been able to operate at less cost and we have been able to expand the services that we have been providing to all Manitobans.

On a positive note, while public sector jobs have decreased and have been decreasing, our record of job creation in this province is second to none and remains very strong. Last September the Royal Bank had this to say about the province's economy: months of steady economic growth have pushed Manitoba's unemployment rate to its lowest level in 16 years. Last

year almost 17,000 new private sector jobs were created in Manitoba, the largest increase in 18 years.

Mr. Deputy Speaker, with initiatives like Maple Leaf mills planning to build a major hog processing plant in Brandon, we will again welcome more jobs, addition of thousands of jobs into our province in very short order. If I can use an example, I would like to just look at one sector of our economy, and that is the trucking industry, and look at the 30,000 jobs that we have in the transportation and distribution industry. It is one of the highest proportions of any province in Canada, and that speaks to the significance of our transportation industry and our distribution industry in our province and the addition that it makes to the economy and to the jobs that are created.

In addition to this I want to just mention the Winnport initiative, having its dream realized by getting approval for its air route to the Asia-Pacific area. We can now anticipate that this opportunity will continue to grow for Manitoba as we gain prominence as a distribution centre in all the world.

So these are just a few examples of major initiatives that in the meantime are creating hundreds of jobs for people in this province.

While this is happening, there are other people who are creating their own dreams and their own success stories around this province, people like Mr. Ralph Fehr of Winkler, who has built a custom millwork operation that today employs over 60 people or, if I look at my own community, a Gail Davis of Roblin, who has converted an old railway station into a tea house and craft shop where she employs eight people and is an outlet for more than 40 crafters in the area to sell their wares and their creations to tourists who are coming into that area.

These small businesses, taken collectively, are making a huge impact in our province. No matter where you go today, whether it is Winkler or whether it is Neepawa or whether it is Thompson, you find that there is an atmosphere of excitement. There is an aggressiveness in the air where people are looking at opportunities and pursuing them aggressively to ensure that the growth of their families, the growth of our province continues.

While this is all good news, Mr. Deputy Speaker, we have to understand that this is all happening because of the direction that has been set by our Premier and this government. It is this Premier who set a strategy in motion that will allow Manitobans to realize their potential, that will allow for economic growth that sets some priorities destined to make sure that our province moves ahead. It includes the creation of jobs; it includes jobs in special areas, value-added enterprises, technology areas, areas where we can manufacture goods for trade to the rest of the world, and we see excitement in each and every one of these areas.

Mr. Deputy Speaker, this budget addresses all of the sectors, and I want to just focus on one sector and that is the agriculture sector, one that I have come from and my family roots are in, because when I look at what the Crow rate did to Manitoba, first of all, it took some \$700 million out of the prairie provinces on an annual basis, and this is money that was taken out of every small community across the Prairies. When that happened, we did not expect the federal government to simply send cash to these communities.

Instead, Manitobans in all of these communities in agriculture realized that they had to take their destiny in their own hands. They did so, and it has created an extreme excitement in rural Manitoba. That is why today we are one of the largest potato-producing provinces in Canada. That is why today we have a significant presence of companies like McCain, Nestle-Simplot, and now we are going to have a very significant presence in the Maple Leaf Foods processing plant in our province.

When you consider the landscape and how it has changed over the course of the last 10 years, it is really quite amazing. I remember when this province was pretty much an agricultural province that produced cereal grains, some special crops and some canola. Today if you look across our landscape in the agricultural areas of our province, you find livestock operations, diversified agriculture, you find bison, you find elk, you find hogs, you find cattle, and you find special pulse crops that are grown for specialty markets. In addition to that, amidst all of this you find processing plants that are adding value to the products that we grow in this province.

I will never forget the—

**An Honourable Member:** How is Headingley?

**Mr. Derkach:** Well, that is coming. The member opposite who is the duke of despair talks about where is Headingley. Well, I have a news release here that I will make reference to in just a little bit to talk about Headingley and to talk about the position that this government has taken with regard to providing services to all Manitobans.

Mr. Deputy Speaker, let me talk a little bit about our commitment to Manitobans, about our commitment to children, about our commitment to the elderly, the sick, the poor, our commitment to special interest groups whether they are women, aboriginals or those who are disadvantaged. Our budget encompasses everyone, and we are indeed providing care and assistance to all of the people of this province regardless of where they live.

#### Point of Order

**Mr. Gerry McAlpine (Sturgeon Creek):** Mr. Deputy Speaker, I am trying to hear the honourable minister speak and make some comments on the budget here, and the members opposite cannot appear to enjoy good music and good news as far as the province of Manitoba is concerned.

I would really like you to bring them to order so that the honourable minister may continue with his remarks and put this good information on the record.

**Mr. Deputy Speaker:** The honourable Leader of the official opposition, on the same point of order.

**Mr. Gary Doer (Leader of the Opposition):** On the same point of order. I am surprised the member, Mr. Deputy Speaker, would interject in this debate. I thought he would be interested in finally standing up for his constituents and stopping the lagoon on the west side of Winnipeg that will blow into his constituents' nostrils with the absolute arrogant proposal of the Minister of Rural Development (Mr. Derkach). Perhaps he should start standing up for his constituents, rather than being a trained seal of the Tory party.

**Mr. Deputy Speaker:** Order, please. The honourable member did not have a point of order. But I would ask

honourable members if they could try to maintain the decorum just a little bit. The honourable minister does have the floor at this time.

\* (1510)

#### Point of Order

**Mr. McAlpine:** Mr. Deputy Speaker, the honourable member across the way has imputed motive on the member for Sturgeon Creek, and he has imputed motive that I am not standing up and speaking out on behalf of my constituents of Sturgeon Creek as a result of a lagoon that is not going to happen. He does not know what he is talking about, and I would ask you to bring him to order for imputing motive in this House on the member for Sturgeon Creek not serving his constituents in Sturgeon Creek. Bring him to order, and I ask you to do that now.

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

\* \* \*

**Mr. Derkach:** As a result of the Leader of the Opposition launching into a reply to the point of order, it brings a very good topic to mind, Mr. Deputy Speaker, and one—[interjection] Well, he talks about an article in the paper, but let us talk about the real issue. Let us talk about the attitude that is taken by the NDP with regard to rural Manitoba. Here is a press release that was issued by the Leader of the Opposition that says very clearly what their attitude is with respect to rural Manitoba. He says that if they formed the government, the first thing that they would do would be to dismantle the Department of Rural Development. That is their commitment to rural Manitoba. The second thing they would do is take money out of the Highways budget, because then they would divert it to their own special interests.

Mr. Deputy Speaker, when he talks about services to rural Manitobans, when he talks about the Headingley issue, he does not know what he talks about. He does not know the issue.

**An Honourable Member:** I know it quite well.

**Mr. Derkach:** He says he knows it quite well. Then he misleads Manitobans purposely if he says he knows the issue, because we have a community, an urban community—

**Mr. Deputy Speaker:** Order, please. I have been allowing the interaction between members to carry on a little bit, but I would ask the honourable minister to choose his words very carefully. “To intentionally mislead” would be unparliamentary, so I would ask the honourable minister to retract that statement.

**Mr. Derkach:** Thank you, Mr. Deputy Speaker, and of course you are always right, and I will certainly do so.

Mr. Deputy Speaker, the Leader of the Opposition scoffs at the fact that Headingley is going to get water and sewage. He scoffs at the fact that we have the largest urban community in Manitoba that has no water and sewer, and he does not think that they should have water and sewer services. He does not understand the project. Neither do members on his side of the House, that the project is going to extend services to the existing community and not to what they have been talking about. He talks about a sewage lagoon on the west side of the city. That is not going to happen. It was never intended to happen, but that is how they twist the facts so that Manitobans then get a slanted view on the real issues.

It also shows the attitude, the attitude of disdain towards rural Manitobans by the opposition. That is not respected by anyone. It is certainly not respected by the people in Headingley, who have for years waited for the service that they so badly need. The Leader of the Opposition thinks it is funny when little children have to play in sewage in the backyard. He thinks it is funny that mothers and little children should expect to have clean water. He scoffs at that. He thinks that is a joke. Well, the people of Headingley do not think it is a joke. The people of Headingley think it is a serious issue. They think it is a serious concern that they have nowhere to put the sewage from their homes.

**An Honourable Member:** Honey wagons.

**Mr. Derkach:** Mr. Deputy Speaker, oh, yes, let them have the honey wagons, says the deputy leader. That is the way that he treats anybody who does not live in that

comfortable environment that he has been used to living in.

Mr. Deputy Speaker, I want to address another issue with respect to the Leader since he is here, and that is his address to the throne speech. In his address, I do not know where he is coming from or where he has been, but he accuses the members on this side of the House of having inherited their wealth. Well, what a terrible statement to make by a Leader of an opposition. What credibility does he think Manitobans are going to have in his statements and in what he says to this province? That is embarrassing, and he should apologize, not to us necessarily, apologize to Manitobans for being so shallow and for making statements that have no foundation and for the kinds of words that he chooses in this House.

It is the same kind of attitude that he has with respect to the citizens who live outside of the city of Winnipeg, especially the citizens of Headingley. Now, the citizens of Headingley have every right to have the same kinds of services that any other Manitobans have. I do not hear him criticizing us for putting in a sewage lagoon and a treatment facility and upgrading it in the community of Flin Flon—he thinks that is okay—or in any of the other northern communities, but he does not find that that is the attitude that should be taken with the community of Headingley. And why? Because it is rural community? Because he takes the same attitude that the member for Crescentwood (Mr. Sale) does—that rural Manitoba does not matter, and it has never mattered to that opposition.

Mr. Deputy Speaker, I can go further because there is a strategy that was adopted by the Capital Region Committee, and that strategy is being acted upon by a task force that has met now and is taking a direction on making sure that the Capital Region Strategy becomes a meaningful one and is, indeed, implemented in a proper and an appropriate way. So, we do not have to take any lessons from the Leader of the Opposition (Mr. Doer). He is wrong with regard to Headingley. His position is wrong with regard to Headingley, as it is with regard to all of rural Manitoba.

Mr. Deputy Speaker, I would like to get back to addressing the Budget Address and the fact that the position that is taken with this government to health

care. I want to talk a little bit about a personal experience that I have had with our health care system. As members of this House may know, my family has been fairly frequent users of the health care system over the last year or so, because I had an ailing father who has just passed away who used the health care system extensively. No matter whether it was here in the city of Winnipeg, the city of Brandon, the community or the city of Yorkton, or, indeed in my own community at Russell, I would have to say that the care that was received by our family with regard to an illness in our family was second to none.

Yes, there were times when we had to wait for X-rays. There were times when we had to wait for a bed, but never in all of our experiences over the last number of years were we ever mistreated or were we ever put on a waiting list for an unreasonable request. I have to congratulate those people—the doctors, the nurses, all of the staff who care for our citizens in hospitals across our province, because they, indeed, do a fine job. They are excellent in their professional approach, and there are people who appreciate what they do for them, because indeed the—I guess the bottom line is to ensure that the services that we receive will allow us to continue with healthy lives in this province.

Mr. Deputy Speaker, we are investing another hundred million dollars into the health care system in this budget, and that is not insignificant. I think that is appreciated by Manitobans. That will allow us to expand some of our capital facilities. It will allow us to put some badly needed equipment into place. One of the things that really encourages me is that we will have two mobile breast screening units on the road. That is important, especially to the smaller communities, the rural communities across our province who need this service, because their residents have to travel long distances to get this service. Bringing that service closer to home is going to mean that they are able to access that service more readily, access it at lesser cost and be able to be with their families when they, indeed, have to go to these facilities and get these tests done in a shorter time.

Mr. Deputy Speaker, I think our health care system in our province is in good shape. If I compare it to other systems across our country, and if you look at the issues that other provinces are facing, I do not think Manitoba

is at all in bad shape. When you look at the amount of budget, the percentage of budget that is allocated to health care, we can stand proud. Over \$600 million a year more is spent in the health care budget than was spent in 1988. That means that we are indeed investing in the people of this province.

\* (1520)

When I look at the home care area, Mr. Deputy Speaker, I have to say the increases in that area alone have really meant a difference in Manitoba. Again, many Manitobans are able to stay in their homes longer because of home care. That means that there is less pressure on our personal care home beds. It means that members can still live with their families for a longer period of time. Tripling the home care budget has meant that the services to these people in their own homes are allowing them to live a better quality of life, to live longer in their homes and to be with their families for a longer period of time.

Our House leader is asking for a moment to make an announcement, so if I may.

### House Business

**Hon. James McCrae (Government House Leader):** On a matter of House business, and I thank my honourable colleague for allowing me a moment to do that, I would like to let honourable members know of some of the items of business we hope to achieve in the next little while.

As you know under our rules, on Tuesday, the 17th day of this month, we will complete all matters related to the Budget Debate. It is our expectation in the following days to deal with matters related to a resolution to appear on the Order Paper in a day or two respecting the Fox-Decent report.

I would seek unanimous agreement that the House not sit during those days of March 30 to April 2. That is Monday to Thursday of that particular week for the winter break that honourable members like to have in their constituencies and with their families. As part of that arrangement, it is also agreed that all matters necessary to be looked after respecting Interim Supply would happen prior to the close of business of this

House on the 26th of March, which is a Thursday. Those are matters that, I believe, would be agreeable to all honourable members, should that be put. So I would ask for unanimous agreement that be the order proceeding with respect to those matters in the coming days.

**Mr. Deputy Speaker:** Is there unanimous consent that the House not sit between March 30 and April 2 and that Interim Supply be concluded by March 26? [agreed]

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**Mr. Derkach:** About three weeks ago, my colleagues of government visited my community and my constituency. We also visited the community of the member for Dauphin (Mr. Struthers) and the community of the member for Swan River (Ms. Wowchuk). In all of our discussions with a variety of people in those areas, we found that there were no people who were upset with the kinds of issues that the NDP are bringing forward. As a matter of fact, no matter whether it was the seniors or the youth in our high schools or whether they were people in our hospitals, and specifically a seniors drop-in centre that we visited was extremely happy about the kinds of services that government has provided and the direction that government was taking.

So, Mr. Deputy Speaker, it is very consistent with the kinds of reactions and responses we receive when I travel around this province, no matter whether it is in the northern part of our province or whether it is in the southern part of our province. Manitobans are confident that this government is leading them in the right direction and that, indeed, the services that they are getting are far better than they have had in the past.

I spoke a little bit about the health increases and what they are going to mean to us. In the whole area of education, this is an area that is near and dear to me, because as a former minister and also a teacher in the past, I do keep an interest in education, especially now that I have three young men in high school. It gives me an added closeness to what programs are being offered in our schools and, indeed, the way that we are progressing.

I would have to say that with regard to education, we have an excellent education program in our province. Indeed, our youth are being given the opportunity not only to explore new areas of education and knowledge but are being given an opportunity to become very well qualified for their further education or for the job world.

If you look at some of the highlights of the budget, they really address the issues that young people and parents have been talking about with regard to education and post-secondary education. When you look at the money that has been injected in the scholarship and bursary support, that is certainly one that we have heard about for a long time, and it is very meaningful to the young people who are pursuing post-secondary education.

When you look at the amount of money that is going into the apprenticeship training programs, this is an area where we have, certainly, a fairly acute demand for professionals and for apprentices and for journeymen. Indeed, this is going to be money that is going to be well spent in allowing more apprenticeship programs in the province and, indeed, more of our young people to be able to access those kinds of training opportunities.

When you look at the money that is going into the training and employment services that link unemployed Manitobans with the job market, I think, once again, this is talking about specific jobs that are there for the taking. Once again, I have to go back to the rural community, and it is the community of Hamiota where we have a small manufacturer who manufactures cabinetry. When we visited with him, he said he cannot find qualified people who are willing to work in that industry, and he is actually restricted from his production because of the lack of people who are willing and ready to come to work and who have the necessary skills.

I think it is a program like this that is going to allow for actual training programs to be designed for those kinds of industries where there is a demand for jobs, and they are good paying jobs. They are not jobs that are minimum-wage jobs or anything of that nature.

So I think, Mr. Deputy Speaker, in terms of the overall education plan that has been developed, we

certainly have a very positive approach, one that is yielding good results. I am very encouraged by the direction this province has taken, both at the elementary, the secondary and the post-secondary levels of education.

We are also investing in social programs in our province, programs that are meaningful to people who need these programs for one reason or another. The Minister of Family Services (Mrs. Mitchelson) has certainly been a leader in promoting the kinds of programs that this province needs with regard to the social areas, whether they are early childhood nutrition initiatives that are being undertaken as a result of this budget or whether they are the positive parenting programs that have to deal with such things as adolescent pregnancy to combat such things as the fetal alcohol syndrome.

\* (1530)

These are programs that are out there that are needed. Because of the way our society is evolving, we need to address those issues, and they are being addressed through the budget and through the minister. Mr. Deputy Speaker, I think we can probably say that by investing in our citizens, by investing in the values that our people have, we are providing a stronger province to live, providing a stronger society and a more well-rounded society which can take advantage of the opportunities that exist in this province.

Mr. Deputy Speaker, I want to turn my attention for one minute to my own department, the Department of Rural Development. For a number of years now we have been building on the strengths of our people. We have been building on the fact that these rural Manitobans and Manitobans in general have strengths, the kind of motivation and the kind of will to make this province a stronger place, to make their communities stronger places, and to make their families that can participate fully in our economy.

I am very happy that in my department, our budget will be increasing in the area of the REDI program. In addition to that, the budget is increasing to municipalities. Municipalities deliver services that are very important to our people. They deliver the services with regard to infrastructure, the roads, Mr. Deputy

Speaker. In the course of the 10 years that we have been in government, we have each year increased the tax-sharing contributions that have been made to municipalities. This year that increase is 4 percent. That certainly is a welcome increase by our municipalities. Indeed, that money is going to be used to invest in the infrastructure that is going to provide opportunity for industry to locate in many of our communities. One of those initiatives is the natural gas extension to the Swan River area. We have been for a number of years now trying to make that project a reality.

Finally, Mr. Deputy Speaker, there is an agreement where we are going to be able to extend that very needed service to that area, and we are looking forward to that being a service that is going to be an infrastructure service that is going to provide even more opportunities for the Swan River region.

In addition to that, the increase that is going to be received by the department of \$1.8 million in the REDI program is going to allow us to expand and to extend the economic development programs that we have been delivering in rural Manitoba to such entities as we have in the past, like the Isobord plant, the Maple Leaf plant, like so many other projects that are taking place in the rural part of our province. We will continue to work in partnership with Manitobans. We will continue not to ignore them but to listen to them very carefully to ensure that our economy continues to grow and continues to be strong.

Mr. Deputy Speaker, there are many opportunities in this province. This province is poised in a position where we have great opportunities ahead of us. We have companies that are looking at this province as we speak to invest in, to bring processing into this province, to bring different kinds of technologies into this province. All we have to do is be the catalyst that makes all of these kinds of initiatives happen. They are happening not only here in the city of Winnipeg but throughout the entire province.

**An Honourable Member:** And all of Manitoba.

**Mr. Derkach:** And all of Manitoba. Mr. Deputy Speaker, I had an opportunity to travel through the North recently. I took in the communities of Churchill,

Thompson, Flin Flon, and many of the communities in northern Manitoba. I have to tell you that, I guess, there is an energy out there in our rural northern communities that is really quite different than what I have seen in the past. These people are motivated, they are ready to forge ahead and to build their communities.

When I met with the mayor of Churchill, I have never seen someone as energetic and motivated as the mayor of Churchill. He looks at what the future holds for our province and for his community in a very positive way. He looks at opportunities that might exist to the North, Northwest Territories and, indeed, to all of Manitoba. When I talked to the operator and the manager, the CEO of OmniTRAX, for example, they are looking at expansion in their area. They are looking at expansion of the port, and they are looking at opportunities that will help not only their company but will help communities in the North and all of Manitobans.

So, Mr. Deputy Speaker, in conclusion, I want to say that I am very, very encouraged by the Budget Address that was presented by the Minister of Finance (Mr. Stefanson). I congratulate him because indeed this is showing the right leadership for our province, the right direction that this province needs to go in, and I know that Manitobans in general appreciate that finally we have our house in order, we are forging ahead, and the money that used to be wasted on interest payments is now being reinvested into programs that are needed by Manitobans.

With that, Mr. Deputy Speaker, I will conclude my comments. Thank you.

**Mr. Oscar Lathlin (The Pas):** Mr. Deputy Speaker, I am pleased to rise, as well, this afternoon to respond to the contents of the budget that was delivered here last Friday. The first thing that I want to talk about is the manner in which the budget was prepared and the way that it was written up so that people in Manitoba could be confused.

Mr. Deputy Speaker, let me start off by saying that there was indeed a very modest increase in the budget, but, you know, after years of cutting back and eliminating programs and services—for the past 10 years anyway, I have been here for eight years now, they have been eliminating and cutting back on programs—

this budget, I am afraid, does not come anywhere near to stabilizing programs and services, those that were gutted and dismantled for the past 10 years.

Of course, this dismantling and this gutting out of programs, Mr. Deputy Speaker, has left a lot of people, particularly the elderly and the poor, in a very, very desperate situation. This government talks about how the balanced budget will have a positive impact on everybody, all Manitobans, they say, how the surplus will start to help people from all corners of the province, and the money that they talk about, how that would improve the lives of all Manitobans from all regions of Manitoba. The improved economy that they talk about, they claim will benefit everybody in Manitoba.

Mr. Deputy Speaker, this budget has been categorized not only by us in the New Democratic Party but other people as well, particularly those who reside in rural and northern Manitoba, they have categorized this budget as being deceitful, because although it boasts about bigger numbers, the fact of the matter is that there has hardly been any increase in terms of funding for programs and services.

Now, I want to talk a little bit about how this government always says that the NDP is not prepared to accept change, that the NDP is not prepared to move forward, that they are always too interested in hanging on to the old ways. Mr. Deputy Speaker, that is not true at all. We recognize that times are changing. We recognize that we need to do things in a different way.

For example, in the area of health—as I said, I have been here almost eight years now, and all that time that I have been here I have listened to this government talk about the need to change the health care system, about how it is getting to be expensive, inefficient and not really helping those people who really need it, Mr. Deputy Speaker.

We agree that the system has to be changed. We agree that it has to be more efficient. No problem. We agree that we have to get away from the treatment mode, that we have to get away from putting everybody in the hospitals, because it is too expensive that way. We agree that there should be more prevention so that people do not end up being in a hospital and costing the

government a lot of money. We agree that the alternative should be community-based health care. We have always said that. I have listened to my colleagues say that over and over again in their speeches and in our meetings, and we have listened to people in the community telling us that, yes, there should be changes but, before you make the changes, you have to have a plan in place.

\* (1540)

Now, I have not seen any plan from this government. Instead, we have seen them fumbling and they are stumbling around from crisis to crisis. It seems to me that things have been done in a helter-skelter way. So, therefore, the community has not really been prepared for the transition that the government had talked about previously. That transition, of course, is going from the hospital to the community. We had talked about and we had advised the government, I remember two or three years ago, four years ago, that before they kick everybody out of the hospital and into the community that we had better have an appropriate and adequate infrastructure in the community that would handle the people who would no longer be staying in a hospital. We agreed with that.

But what has happened, Mr. Deputy Speaker, since then there has not been any proper transition. There has not been any planning done to accommodate those who would go from the hospital into the community. Yes, we were promised personal care homes, but that has not happened, and so now we are in a crisis situation.

I know the Minister of Health (Mr. Praznik) and the First Minister (Mr. Filmon) will tell us that we are not in any crisis, because every time a problem is identified they start blaming everybody. They blame the federal government, they blame the doctors, they blame the administrators, and they blame us. So, therefore, they do not accept the responsibility, and I for one believe that the responsibility lies solely on the government.

We have seen this government dismantle the health care system. I know where I come from in The Pas, we were sitting around in The Pas the other day and talking about how even our hospital is hardly recognizable anymore as compared to, say, even five years ago. We

have children being mixed in with adult patients in the hospital, and that is creating a lot of problems. People are being discharged too early, and they are getting readmitted because they have not been looked after to get better.

So the hospital in The Pas, for example, has practically closed down. Staff were let go. They were fired, and we have a lot of problems there today. Now, if we look at the press release that the government put out in March of 1995, for example, that would have seen some infrastructure go into the community in order that a proper transition take place from the hospital into the community. The minister then announced on the 16th of March, 1995, just prior to the election—and I was saying earlier this afternoon, the minister remembers because he was the one who came after me, and I think he was happy with the fact that the government was approving a \$600-million capital expenditure because he wanted me to congratulate him. And I believed him. I shook his hand because I truly believed that that was what was going to happen, and when I got to The Pas that weekend, of course I told people that indeed the government had made an announcement that eventually we were going to see a new personal care home in The Pas, and people were satisfied. They were happy because they believed also that the government was going to do it.

I am just going to quote here from the press release: A further \$306 million approved for architectural planning covers the design of hospitals in Emerson, Notre Dame, Shoal Lake, and personal care homes in Altona, Flin Flon, Notre Dame, Shoal Lake and The Pas, as well as five personal care homes in Winnipeg.

Well, Mr. Deputy Speaker, we all know, of course, that immediately after the election of April '95 that capital budget was scrapped by this government, and as a result of scrapping that capital budget, we are now paying for it. Our people, our elders, in the hospitals are now paying for it. As a matter of fact, I am dealing right now with a constituent who had been living in a hotel room for six weeks because there was no space in the personal care homes in The Pas. We have no space on the reserve. We looked there. Then we looked in town; there was no space. So, finally, I think the person I am talking about is finally moving into a residence somewhere in The Pas.

But can you imagine this person, confined to a wheelchair, he is diabetic, he receives dialysis three times a week, and he lives on welfare, and there was no place for him to go. Even going to the hospital to get dialysis treatment was a problem because the handivan service that is operating in the town operated only, I believe, from eight o'clock until about 4:30, but this person's treatment starts before the handivan service commences their operation in the morning, and the dialysis treatment goes beyond 4:30, so this patient is caught between a hard rock and a hard place because he has no money to hire a taxi. Every time you hire a taxi from that particular hotel to the hospital, it costs about five or six dollars, Mr. Deputy Speaker.

So those are the kinds of situations that this government has forced our people to be in, and, as I said, they are suffering, yet the same government wants us to believe that this good-news budget benefits everybody. Well, Mr. Deputy Speaker, it does not benefit everybody. As we have said earlier, the budget does not benefit people from the North. This budget does not benefit aboriginal people. This budget does not benefit the elderly and the poor.

For example, in the area of aboriginal health, and I have said this before in this Chamber, before reform came along the aboriginal communities were already in a deficit position, if I can call it that. We were already behind the starting gate. Nursing stations do not have X-ray facilities. People have to be airlifted out of their communities if they have to see a doctor. Doctors come in maybe two days every two weeks, and there are all kinds of problems facing our people in health in our communities. So when hospitals are closed in places like The Pas, Flin Flon and Thompson, it affects our people because that is where they go. So when that happens, of course, our people are going to die unnecessarily, which has happened already. Our people are dying unnecessarily as a result of not being able to get the treatment and the care that they deserve.

\* (1550)

So I, for one, do not believe that this budget benefits everybody. I, for one, do not believe that this budget benefits those people from the North, because, Mr. Deputy Speaker, if you look at the so-called improved economy, it may improve in Winnipeg. The

unemployment level may have gone down to 6 percent in Winnipeg, but when you look at places like the town of The Pas, for example, in area, there the unemployment level is routinely pegged at 20-25 percent. You know, that is a big gap from 6 percent to 20-25 percent. But when you go further north into the isolated areas, it gets worse. There we are talking about 80 or 90 percent unemployment. Yet this government—and the Minister of Rural Development just told us this budget benefits everybody, it benefits everybody; but it does not. I do not believe that, because why are unemployment rates in the aboriginal communities 80 or 90 percent? Why is the unemployment rate in The Pas 20-25 percent? You know why? Because all of the activity is centred in Winnipeg. Everything is Winnipeg-based, and there is nothing happening up north.

I am not surprised, because the other thing that is happening is when we determine the unemployment levels in Manitoba, you know what? We do not include the aboriginal communities. We just include the industrial centres like The Pas, Flin Flon and Thompson, and I have already said that The Pas routinely experiences 20-25 percent unemployment. So we are not surprised because I recall watching the First Minister (Mr. Filmon) being interviewed on TV. I think that was just before the last election, or it might have been during the election. In any event, he was being asked about child poverty in Winnipeg. You know what his response was? He responded by saying, well, if the aboriginal people did not come to Winnipeg, our poverty statistics would be way better. So therefore I am not surprised that he refuses to include the unemployment levels of northern communities, because that would make his unemployment levels in this so-called economic improvement go lower. So they neglect very conveniently to include aboriginal people in their unemployment levels.

Now we wonder, why is this First Minister refusing to include northern communities in the overall unemployment statistics, you know? Can he give us one good justification as to why he will not include the unemployment levels in the aboriginal communities? So this economic growth that the Minister of Rural Development (Mr. Derkach) just talked about is happening in southern Manitoba and has completely, and I mean completely, by-passed northern Manitoba.

*Madam Speaker in the Chair*

Now, the other thing that I wanted to mention was this capital that the Minister of Northern Affairs (Mr. Newman) talked about the other day. Yes, there has been an increase of \$1 million to the Northern Affairs communities. We are now going to see \$3.6 million. I am grateful for that, but I want to impress upon the Minister of Northern Affairs that it is not enough, \$3.6 million for capital for Northern Affairs communities.

During Estimates last year, we asked him about sewer and water facilities in northern communities. His response was very much similar to the response that the First Minister (Mr. Filmon) gave when he was talking about flood victims last spring when he said: well, if these guys, if these people would not build their houses in a flood plain area, they would not have been flooded and there would not be a problem.

The Minister of Northern Affairs made a similar statement during Estimates when he said that—and I am paraphrasing here—because those people chose to live there in northern Manitoba, he cannot do anything about giving them additional resources for sewer and water. That was his response. Well, I want to tell the Minister of Northern Affairs that those people living in those northern communities are indigenous to that area. They were born there. They did not move there. They did not come from another country. Those people were born there, and that is their homeland. And do you know what? Chances are they are not going to move elsewhere, anywhere else. That is where they were born and that is where they will die. For the Minister of Northern Affairs to suggest that it was their fault for living in the isolated areas, I think it is very unfair and it is just not true.

The other thing that I wanted to mention, Madam Speaker, is the Highways budget. I believe the Minister of Highways and Transportation (Mr. Findlay) said yesterday in response to one of the questions that out of the \$110-million budget that is allocated for Highways and Transportation, 11 percent of it was going to be spent up north. I beg to differ with those numbers because when I look at the numbers, consistently from 1990 the spending by this government on northern roads has always been around 4, 5, 6 percent. It has

always been that way. Yet, when we were in government, we spent 20 percent.

Also, when you look at the province, and if we are to believe the Minister of Rural Development (Mr. Derkach), who tells us that this budget benefits everybody, if that were true, this government would be allocating more than 6, 7 percent to the North. They would be allocating more like 50 percent of the Highways budget for up north, because that is how much the money is needed for up north. The need is greatest in the North. I always say that if we do not spend one nickel on southern roads for the next five years, you know what? People down here would not suffer, and that is the truth.

Madam Speaker, I also want to come back to the \$3.6-million Northern Affairs capital budget. In the press release, and the Minister of Northern Affairs said here yesterday, or, on March 10: Another \$1 million is being put into the capital budget Northern Affairs, and we are building a water treatment plant in Cormorant.

Well, I go to Cormorant every now and then, and I know what is there. So I decided to double check, make sure the figures were right. I was able to find out that what the minister was talking about was not a new sewer and water treatment plant like his press release has suggested, but it was really an upgrade to an existing system. That is what he was talking about. But if a person were to read that press release for the first time, not knowing what exists in Cormorant, one would get the impression that the government is building a brand-new water treatment plant in Cormorant, and that is not true.

Now, I wanted to close off by saying that this government needs to look at the rest of Manitoba when allocating resources. This government must remember that there is more to Manitoba than just the city of Winnipeg, Altona, Winkler, Morden, and so on. There are a lot more people, a lot more communities that it has to consider when allocating the resources of Manitoba. They have to also remember that the aboriginal people of this province are citizens of Manitoba and that they cannot continue to just put them on the periphery and let them wait on the sidelines while everybody else is, as the Minister of Rural Development says, enjoying the benefits of his budget.

\* (1600)

So with those words, Madam Speaker, I thank you for giving me the time to say a few words on the budget. Thank you.

**Mr. Denis Rocan (Gladstone):** Moi, ça me fait grand plaisir de me mettre debout cet après-midi—

**[Translation]**

It gives me great pleasure to stand this afternoon—

**[English]**

Oh, excuse me. I do not think there is anyone in the translation booth.

**An Honourable Member:** J'ai compris. J'ai compris.

**[Translation]**

I understood. I understood.

**Mr. Rocan:** Yes, that is fine for you, sir.

I would like to take a moment to welcome all members back to this indeed august Chamber. It is a pleasure for me to be able to stand here once again this afternoon. I will take one moment and thank our little pages once again, who are going to indulge us and endeavour to try and make sure they look after each and every one of us here.

It does give me great pleasure to respond today to the speech that was delivered by our Minister of Finance last week, the budget speech. I take great joy in addressing the House and reflecting on the plans of our government and how the citizens in the constituency of Gladstone and all of Manitoba will reap the benefits of our government's vision.

Since we first gained office, our priorities have remained constant, and our commitment to ensure the continuing well-being of all Manitobans has not faltered. Our goal is to provide the necessary framework to ensure that Manitobans prosper as they adapt to the ever changing global environment. In doing so, we are building a province which will benefit Manitobans now and in the future.

This fall I had the pleasure of representing Manitoba at a summit meeting in Hanoi, Vietnam. While I found the country beautiful and very intriguing, the visit reinforced my belief that Canada is the best country in the world. Furthermore, I cannot assert strongly enough my conviction that Manitoba is the best province in Canada in which to live, learn, work, and raise a family.

My government's vision will ensure this for years to come. I believe that our government's vision for the future abounds in optimism and promise because, as this budget shows, we are committed to ensuring that all Manitobans share in our province's growing economic prosperity. Our vision avows our ultimate goal, the protection and support of essential services of health, education and family support for all Manitobans.

In the meantime, the budget also outlined our government's intention to follow the same solid economic priorities which we have adhered to throughout our entire mandate in office. My constituents have often commented that they expect us to run our government as they would run their family homes and businesses. This is a sentiment that I really take to heart.

There is so much good news emanating from our province. Manitoba's provincial growth is among the best in the country. Even though national unemployment rates were more than 9 percent for much of this year, Manitoba maintained an unemployment rate below 7 percent for nine consecutive months with more Manitobans working in 1997 than in any other year.

Manitoba is strong. Our strength can be attributed to our government's vision and the hard work and effort of Manitobans to create an attractive climate for investors. My government has outlined several initiatives which will continue to see our province grow and prosper. Our government supports the full implementation of an Agreement on Internal Trade in order to give Manitoba companies increased trade opportunities.

Another initiative that will benefit all Manitobans is the elimination of the cap on capital that co-operatives are allowed to raise. Such a move will facilitate the development of new opportunities for value-added

processing in the agricultural sector and will be warmly welcomed by the constituents of Gladstone.

Naturally, spending taxpayers' money wisely will remain a priority of my government. Our vision for the future is based on a sound economy, balanced budgets and repaying the debt. In fact, this is our fourth balanced budget, and we have done so without raising taxes.

We are experiencing our sixth straight year of double-digit growth in exports to the United States, and our total exports exceed \$6 billion annually. Manitoba is truly one of the fastest growing provinces in Canada with our exports doubling in the last five years alone.

There are now thousands of jobs in science, technology and medical research and product development. Recently, Northern Telecom announced a \$586-million offer to acquire Broadband Networks, a Manitoba company set up less than four years ago. It has the potential to add a thousand jobs for engineering, science and technology grads in the near future.

As I said, Manitoba has been extremely successful in attracting investors and new industries to our province. We are meeting the challenges of the age-advanced technology. Moreover, we are also meeting the challenge of giving our students the skills they need to succeed in today's ever-changing marketplace. We will continue to strengthen our education system by focusing on core subjects and providing our children with an unparalleled grasp of the basic knowledge they will need to compete and flourish in the coming decades.

Because my government understands that our children hold the key to a successful and prosperous future, we are enhancing communications and information technologies available to schools across the province. In fact, students in the Mountain School Division and the Tiger Hills School Division in the Gladstone constituency now have access to the Manitoba Learning Network, an Internet link to the rest of the province and the World Wide Web of information. Our government's goal is to equip our children with the knowledge and the skills that are necessary to succeed in our increasingly information-

based society. Education is and will remain a fundamental priority for this government.

Funding for education in Manitoba accounts for 19.2 percent of the provincial expenditures. This year, we have invested \$1 billion in Manitoba's education system to assure the best possible education for our children and our university students.

Additionally, the budget calls for funding for the revitalization of our province's apprenticeship program. Providing students with the opportunity to work part time during their studies in their career fields will give them valuable work experience. Making sure our students are prepared for all of the opportunities the future holds remains a priority for all members in the House, I am sure.

Another priority for this government is our commitment to Manitobans involved with our agricultural industry. Many members of this House have risen to speak to the importance of farming to Manitoba and its economy. I agree wholeheartedly with them, having myself been a farmer for many years. I know the valued contribution farmers make to our province. I also identify with the sacrifice and the uncertainty with which farmers must often contend. Our government knows that what is good for farmers and the agricultural industry is also good for Manitoba.

\* (1610)

Agriculture is one of the largest industries in this province providing employment for one of every seven Manitobans. The constituents of Gladstone constituency are keenly aware of the importance of a strong competitive agricultural industry for Manitoba. As agriculture is an industry which permeates the constituency of Gladstone, I am pleased that our government is committed to maintaining our excellent record of promoting Manitoba's agricultural industry and ensuring its competitiveness across the country and around the world.

The importance of the agricultural sector to Manitoba is reflected in the policies and programs of our government. The face of agriculture in agribusiness in Manitoba is rapidly changing.

It gives me great pleasure to acknowledge the success with which the agriculture producers of Gladstone constituency have adapted to the post-Crow era. Farmers in the Gladstone constituency have diversified their crops by increasing the production of specialty crops such as potatoes and alfalfa and by shifting some of the focus from grain to livestock. To date, Manitoba is the second largest producer of potatoes in Canada, and I would not be revealing a secret to anyone were I to admit that we have our sites set on taking over the No. 1 position from Prince Edward Island.

Healthy competition is good for every industry. As a matter of fact, the farm gate value of Manitoba's potato crop alone is \$110 million, with the value of the processed product exceeding \$300 million. In my opinion the farmers in the constituency of Gladstone have responded extremely well to the call for crop diversification, and all Manitobans are reaping the benefits of a healthy rural economy.

The budget speech asserted that we will continue to encourage crop diversification and value-added activities. Over the last few years value-added agriculture has jumped to the forefront of Manitoba's agricultural industry. The opening of the expanded McCain's plant in Portage la Prairie is a tremendous example of Manitoba's flourishing rural economy, placing an emphasis on value-added production and post-harvest processing of our outputs.

In addition, Midwest, the potato processing plant in Carberry, has undertaken a \$20 million expansion in order to meet their growing demand for potato markets within Manitoba. With these two processing plants in Manitoba's heartland, land which is perfect for producing bumper potato crops, we certainly are well positioned to become Canada's No. 1 potato producer.

The constituency of Gladstone is home to the Carberry Crop Diversification Centre, which has been doing valuable research in the area of improved irrigation for our potato crops and eliminating the occurrence of late blight to our potato crops. The Crop Diversification Centre is also responsible for testing conditions for growing our specialty crops such as caraway, chick peas and lentils. I cannot overstate the importance of this centre for Manitoba's agricultural community.

My constituents will also benefit from the decision on behalf of Maple Leaf Foods to build a \$112-million, state-of-the-art hog processing plant in Brandon. Hog producers in the Gladstone constituency and across the province will reap the rewards from our province's increased hog processing abilities. This is the biggest job creation project announced since our government took office. At full capacity the new facility will provide employment for over 2,000 Manitobans.

Our government decided to eliminate Manitoba Pork's monopoly on hog marketing last year. This decision has proven instrumental in attracting Maple Leaf to Manitoba. Now processing plants are able to purchase hogs directly from producers or through Manitoba Pork. Building this flexibility into our hog market was essential to Manitobans. The patience displayed by the hog farmers in the Gladstone constituency during the initial period of adjustment certainly did not go unnoticed. An increased market for our hogs will benefit our hog farmers as well as Manitoba's economy as a whole. In fact, the plant will add another \$500 million worth in economic spin-off in Manitoba.

Manitoba farmers posted the second highest yearly net income ever in 1997 and appear headed for another outstanding year this year. In the first nine months of 1997, total farm receipts were 10 percent ahead of those for the first nine months of 1996. Moreover, Manitoba now boasts the largest farm machinery industry in Canada. Strong farm incomes in recent years have boosted this industry to its current level of success.

Another success story in our province is a sharp rise in the price of farmland in 1997. Our strong agricultural industry is responsible for boosting the value of Manitoba farmland by 8.9 percent during the first six months of 1997, representing the largest increase across the entire country.

As I have stated, Manitoba's agrifood industry is doing extremely well. In a report released earlier this year from the Canada West Foundation, it stated that Manitoba's food-processing shipments grew by 23 percent between 1993 and 1996, representing one of the strongest growth rates in the country.

Our government has implemented programs which have been of great benefit to the members of our agricultural sector. The new Enhanced Crop Insurance Program has been operating for two years now and has filled the void of the Gross Revenue Insurance Plan. In light of federal funding cuts to agriculture, the Enhanced Crop Insurance Program has provided farmers with the peace of mind that they will be supported in the event of a crop damage or failure.

Additionally, our government has announced a Wildlife Compensation Program which will compensate producers for 100 percent of eligible crop losses resulting from damage by big game from 1996 to 1998. Our government's commitment to farmers and the health of our agriculture is and will remain unwavering.

I would like to take a moment to highlight our government's outstanding commitment to rural communities. We are always exploring new opportunities to stimulate more growth in the rural economy. In conjunction with the Rural Advisory Committee, we will engage rural Manitobans in strategy sessions at the 1998 Rural Forum. Some of the areas our government would like to examine are increased youth entrepreneurship and leadership, improving rural information technology, development and use, and an expanded role for local government in the economic renewal process.

Rural communities are the backbone of this province. What is good for rural Manitoba and members of the agricultural sector is good for Manitoba. Our government is committed to providing residents of rural Manitoba with every opportunity to pursue activities to enhance their own communities. I am pleased that our current and future government initiatives will reflect the special priorities of rural Manitobans.

Through the Rural Economic Development Initiative, our government is able to encourage rural economic development and diversification. The program is intended to provide support to the local and provincial economy, while at the same time laying the foundation for sustained growth and further development in rural Manitoba.

The REDI program focus is on commercially feasible development initiatives. The constituency of Gladstone

has been the recipient of several REDI grants and community loans. For example, the REDI Green Team initiative provides summer employment for youth through Natural Resources which hires young people to work in Manitoba's provincial parks and recreational areas. Additionally, the Carberry and District Development Corporation and the Gladstone Area Development Corporation were provided with interest-free loans through the REDI program. Such a program goes a long way to helping our residents improve their community facilities and therefore also their quality of life. All of this has been possible because our government is committed to our rural communities.

Also in the budget speech, my government indicated that it will increase spending to \$7.1 million on highway maintenance. This brings total highway spending for the '98-99 fiscal year to \$170 million. This is an increase of \$10 million over last year. My government will do everything in its power to convince the federal government of the benefits of reinvesting a reasonable amount of money that it receives annually from Manitobans through the federal road use fuel taxes back into our highways. Our government will also ask the federal government to discuss and contribute to the resolution of the outstanding issues affecting our grain-handling and transportation system.

I take great pride in our government's dedication to preserving Manitoba's rich heritage. As I have already outlined, our rural communities make up the backbone of Manitoba's culture. Through programs such as a Community Places Program, our government is enhancing the lives of our rural residents.

\* (1620)

In Gladstone, Manitoba's heritage is preserved at the Third Crossing agricultural museum. The Manitoba Agricultural Museum in Austin is also dedicated to recognizing and remembering the efforts of those who came before us and laid the foundation for the province we know and enjoy today.

The people of Gladstone benefited from nearly \$90,000 in funding from the Manitoba Communities Places Program. The Austin Community Centre, the Sidney Community Centre, the Carberry Plains Community Centre and Recreation Board, and Le

Centre d'Enfants 1 2 3, to name only a few facilities, receive funding under our government's Community Places Program. This money is available because our government is committed to creating and sustaining healthy communities for Manitobans.

Another organization which is an integral part of our province's heritage is the Royal Canadian Mounted Police or the North-West Mounted Police, as they were first known to Manitobans. In 1873, the North-West Mounted Police undertook their first mission. In response to an attack on members of the Assiniboine tribe, the North-West Mounted Police forged 900 miles west of Fort Edmonton to establish strong relations with the aboriginal tribes and proving to American hunters and traders that Canada would defend its territory. In remembrance of this great march of the 125th anniversary of the North-West Mounted Police, the Royal Canadian Mounted Police will re-enact the entire march across the Prairies.

I believe this to be just another example of our celebrated institutions of our province engaging the people of Manitoba in experiencing and remembering their rich heritage. Our government is also committed to this very admirable goal. I take great pride in our government's commitment to assuring the wellness of its citizens and, accordingly, providing support for leisure activities across our province.

As many of the honourable members are aware Spruce Woods Provincial Heritage Park is host to numerous leisure activities such as camping, hiking and cross-country skiing. Spruce Woods is also home to Manitoba's only desert, the unique Spirit Sands. Spruce Woods Provincial Heritage Park is just one of the gems Gladstone has to offer the province of Manitoba.

By supporting and improving our parks, museums and community centres, our government is looking out for the wellness of the people of Manitoba by providing access to leisure-time facilities. Supporting and promoting wellness is an example of our government's commitment to the prevention of health complications by giving Manitobans opportunities to enjoy everything our great province has to offer.

There is no service Manitobans value more than health care. We have one of the finest health care

systems anywhere. Our record on health care and the innovative ways we are delivering health care services is something of which I am particularly proud. Our government is committed to modernizing health care in order to ensure that Manitoba's health care facilities are running in the most efficient and effective manner for the people they serve.

Something that I know my constituents feel strongly about is a need for our government to represent the needs and wants of Manitobans to the federal Liberal government. We have, and we will continue to speak out on behalf of Manitobans when we feel that actions taken by the federal Liberal government will present an unfair burden to the people of Manitoba. The reduction of the Canada Health social transfer payment is one such burden which our government has strongly resisted. We will do our utmost to protect essential services for Manitobans.

As I have alluded to, one of the biggest challenges our government faces is maintaining a quality health care system even though there are massive reductions of federal transfer payments to Manitoba. In spite of this significant federal cutback, which means over \$200 million less for Manitobans, our government continues to spend the largest portion of our budget on health care. In fact, 34 cents of every budget dollar is dedicated to meeting the health care needs of people across this province.

In fulfilment of our commitment to provide the best possible health care to Manitobans, our government recently opened a new health clinic in Carberry. The completion of the construction of this facility will go a long way to improving the quality of life for the residents of Carberry.

The province has undertaken to turn the management of health care over to regional health authorities. The completion of this process will bring a broader range of services closer to home for rural Manitobans.

As our communities gain greater ownership and input into local health care decisions through regional governments, they will promote the interest of each community based on its regional needs. Furthermore, my government is committed to contributing additional resources to reduce waiting lists, working with the

hospital authorities to better utilize high technology diagnostic equipment, upgrading neonatal intensive care services, enhancing adolescent addiction prevention and treatment, more effective approaches to mental health community alternatives, home and continuing care services and new approaches to communicable disease control.

I am especially pleased that our government will undertake to establish a new cancer care treatment centre. It is capital projects such as this that will ensure the lasting effectiveness and reliability of Manitoba's health care services.

Another issue which our government intends to press the federal government on is the reform of the Young Offenders Act. We recognize that most youth are responsible, productive, law-abiding members of our communities. Nonetheless, we need to deal with the challenges posed by those youth who do break the law and even commit violent crime. There is a clear need to act quickly and decisively when a young person does break the law. Our government would like the Young Offenders Act reformed so that young people who commit crimes will be held accountable for their actions.

Manitobans have always told us what our priorities should be, and we have listened. Accordingly, our priorities will continue to be in the areas of health care, education, and family services. Our government recognizes the necessity and immeasurable value of consultation with Manitobans. Our government will continue to seek the input of Manitobans concerning the development of policies that reinforce our support in the fields of education, health care, family services, and rural development. This budget shows that we are responding to the requests of Manitobans because we guarantee that our priorities converge with the will of Manitobans. Working in partnership with Manitobans, we will, as we have throughout our entire mandate, provide government which is responsible and responsive.

In the upcoming session of this Legislature, we can look forward to new opportunities and challenges. Our government will continue to conduct its affairs with prudence and the wisdom of knowing what works for Manitobans. We will prioritize our spending and seek

to increase investment and economic development throughout our entire province. We have been very successful in our efforts to make Manitoba a place in which companies want to locate their businesses, and we continue to actively market Manitoba as an optimum place to do business.

\* (1630)

Not only is Manitoba an optimum place to do business, it is an excellent place to raise a family. As I have said, our government will continue to safeguard essential services such as education, family services, and health care. I, along with my colleagues on this side of the House, look forward to the upcoming session with great anticipation. This government will continue to pursue our primary goals of ensuring more jobs for Manitobans, providing a solid educational system, a health care system accessible to all, and communities which are safe and prosperous.

As we approach a new millennium, I remain convinced that Manitoba is the best place to live, work, and raise a family. I thank you very much for giving me this opportunity to explain why I will be supporting this budget.

**Mr. Conrad Santos (Broadway):** Mahatma Ghandi identified seven basic social sins, three of which I am going to identify: politics without principle; commerce without compassion; wealth without work.

I would focus on the third, wealth without work, by speaking about the continuing struggle between the wealthy few and the nonwealthy many in society. Usually this revolves around the issue of how the wealth of society will be distributed between the few and the many, but that is settled by the question of who shall make the decision.

So the main topic that I want to speak about is that it is within the power of the majority of the people to stop the wealthy few from invading the realm of political decision making, including the distribution of economic resources through government budgeting by preventing the transformation of our mixed system of economy into a purely private economy.

A mixed economy operating under the democratic political system, perhaps is the best political guarantee

of individual groups and societal prosperity. Mixed economy is simply the combination of the best of both the public economy and the private economy. Purely private economy is sometimes known as the capitalistic economy, free market capitalistic economy. It recognizes private ownership of property, imposes no legal limit on the accumulation of assets, no governmental intervention in the economy, and the relentless pursuit of profit as the primary incentive.

Self-interest is perhaps the universal mark of the human economic person, so described by the famous Talmudic scholar named Hillel who said, according to the Poet Laureate Kenneth Arrow in 1972, he quoted this scholar who asked the following question: If I am not for myself, then who is for me? If I am not for myself and not for others, what am I? And if not now, when? That is the primary motivation of the private capitalistic economy.

In contrast, we have the non-Marxist, noncommunist public economy, otherwise known as the socialistic democratic economic system which, through democratically elected representative of the people, recognizes the public ownership of vital industries invested with the general interest of all the people, like utilities, communications, transportation, without denying the notion or concept of private property, where the accumulation of property has legal limits and where there is governmental regulation of economic activities. As I said, this is the democratic socialistic economic system—quite distinguishable—and should not be confused with the Marxist communist system which already ceases to exist, perhaps, except perhaps in Cuba.

Our mixed economic system in Canada, and here as a subprovince of Canada, subunit, regional province, regional economy, evolved out of the bitter experiences we have gone through during the Depression of the 1930s.

Where because of this Great Depression, government intervened through the use of the Keynesian principle of fiscal and monetary policies in order to moderate the boom and the bust of the economic cycle to achieve economic stability, to promote economic growth and employment and to advance economic prosperity for all.

In a mixed and balanced economy like ours, the pursuit of profit-seeking by the few economic elites exercising economic power is balanced and counterchecked by government regulation of private monopolistic practices. So that economic power is balanced by political power, one upsetting the other so that according to your famous, respected economist, Milton Friedman, the system of mixed economy enhances both economic and political freedom.

In a similar manner, you notice that democratic societies also observe the separation of church and state so that the power of those who control religion will be counterchecked and counterbalanced by those who control the government, resulting in enhancing both religious and political freedom of the people.

Governmental activities in the public sector have direct and indirect effects on the mixed economy through governmental effects on aggregate demand. What is aggregate demand? Aggregate demand is the total demand for goods and services produced by the economy in any given period of time. When the economy's capacity to produce goods and services is fully utilized, we have what is called the maximum potential full capacity gross national product.

\* (1640)

The actual production, however, of goods and services, as distinct from the full potential, maximum gross national product is determined by the actual aggregate demand for such goods and services, which may be less than that, equal to, or more than the maximum full potential capacity to produce.

Since there is merely an economic exchange of the flow of goods and service outputs with the flow of all types of income, the gross national product is equal to the gross national income. Therefore the full potential gross national product is a measure of all income that can be derived from the full utilization of the economy's productive resources, given all the factors of production.

If there is an unused economic capacity, any increase in the aggregate demand will increase real gross national product and employment with relatively little upward pressure on price level. Whereas, under the

same condition of less than full capacity, a decrease in the aggregate demand reduces real gross national product and employment with relatively little effect on price levels.

In contrast, if the economy is at full productive capacity and aggregate demand exceeds the maximum potential capacity of the GNP so that the various spending units are attempting to purchase more than what the economy can currently produce, then there will be relatively little increase in the GNP. In the bidding-up process, there will be inflationary pressure in the price level of goods and services. So the government directly affects the aggregate demand by means of government purchases of goods and services. Government indirectly affects aggregate demand by government taxation or borrowing or by transfer payments. In turn, fiscal budgetary policies of government, any government, influence aggregate employment, productive output, and price level.

Fiscal policy indirectly influences the equilibrium level of the gross national product by the level of government taxes and government transfer payments. Higher personal taxes leads to lower disposable income of the people and, in turn, less disposable income of the people leads to lower consumption spending. On the other hand, higher government transfer payments, whether in the form of cash or in-kind like medicare or housing subsidies, leads to higher disposable income of the people. When the people have higher disposable income it leads to higher consumption spending at each level of the GNP.

Also, government policy can affect aggregate demand to the extent that the government can control the lending ability of commercial banks and thus affect the level of interest rates and the quantity of money supplies.

How does the money supply relate to the exchange of goods and services in the economy? When a house builder builds a house he creates a real physical asset. When he wants to sell the house the buyer, having no cash, goes to the bank and borrows money. The bank demands security, collateral. That is the real asset. But the bank charges not only interest for the loaning services but also some excess value much, much beyond the real value of the house. If you do not

believe that statement, look at what you pay in the long run for your own residence. It is more, more, more than the real value of the house.

The reason is the mathematical law of interest accumulation, compound or simple, and it is perpetually accumulating the interest, whereas the asset, being physical, real, is depreciating. So there is thereby a transformation of the banker's mere claim for the asset when he foreclosed the mortgage. His mere claim for the asset is thereby transformed into the real asset itself and the poor buyer still owes him the interest, much, much beyond the value of the asset.

This being the nature of things now, during approximately the last 20 years there have been some irreversible changes taking place in the production process, for example the displacement of human workers with robots and artificial intelligence and automatic and computerized processors. There is also a corresponding shift from industrial production involving natural minerals and resource-based commodities and goods into mere financial papers, trades involving currencies, shared service tax, bonds, commodity futures and other speculative papers. Thus, with the growth of technology, the advancement of knowledge, my friend said there is the so-called world exchange of industrial goods, and actual goods and services are now being replaced by trading deals in speculative financial papers like stocks, bonds, commodity futures and other virtual assets, not real assets.

Most of these transactions are not even necessary of themselves to the production and trade of real goods and services. Thus, therefore, through such financial transactions evidenced by speculative and growing markets of mutual funds, guaranteed investment certificates controlled by the brokers, the bankers, the financial agents around the world, we are now witnessing the increasing integration of the world markets of goods and services under a process called the globalization of trade.

Why would anyone invest by building factories, by buying machinery and by hiring employees when trading in speculative financial securities and instruments or just collecting interest on bonds would

bring much, if not greater, profits? This is the cardinal sin that I started about: Wealth without work.

In brief, when investors and entrepreneurs build factories, buy machines, hire human workers to produce physical goods and services, there is a growth and expansion in the real physical economy. When the investors are able to multiply their money without building factories, without buying machinery, without hiring workers and instead are collecting money on their invested money, financial securities, there is this virtual, nominal, nonmonetary increase in the financial economy. If it is not necessary at all in the production of physical goods and services that enure to the benefit of people, then these trades and speculations in financial instruments are speculative. It is just gambling like any other gambling, but on a grander scale.

\* (1650)

We are now witnessing, with the growth of information, the transformation of the industrial capitalist system into what we may call the speculative capitalistic system. [interjection] That is just the terminology because of the element of chance.

True economic relationship, according to Frederick Soddy—this is an old book, a 1926 book—

**An Honourable Member:** Who is that again?

**Mr. Santos:** Soddy. He said that production of real wealth in both physical goods—and these physical goods are governed by thermodynamics. They rot; they decay; they diminish in value. On the other hand, money, sometimes mistaken for a real asset, is merely conceptual. It is now in fact in the electronic media, and it multiplies perpetually through compounding and interest accumulation. It is perpetual; it is ever increasing. So this usage of money as the measuring instrument as if money itself were a commodity or an asset is the root cause of the conventional societal deceptions that have been going on.

Now, our postwar balanced economy, mixed economy, in Canada, in Manitoba, also promotes collective community values, sharing, democratic decision-making. However, we are now permitting a

few lords of money to slowly transform our mixed economy into a purely capitalistic economy, and we sometimes unthinking, shortsighted, sometimes untutored politicians and our appointed bureaucrats are allowing this to happen. We willingly allow ourselves, because of personal ambition, perhaps, or desire for wealth, we allow ourselves to be prostituted and manipulated as pawns and puppets of the moneyed class, and this moneyed class, of course, is blinded by materialistic consideration. The love for money and love for power are indistinguishable. They treat any activity that sustains human life and health as if they were worthless, unless they can be transformed in a form which can be bought and sold with the use of their money. Witness the changing configuration of our health care system.

Now, to be more specific, this influence of the moneyed class, let me illustrate. In 1996, the Minister of Finance, Paul Martin, received a thousand dollars from John Cleghorn, the chief executive officer of the Royal Bank. But the Royal Bank itself, as a corporation, gave \$109,752 to the Liberal Party. This is documented. This is in Elections Canada.

The same Minister of Finance received a thousand-dollar donation from Nesbitt Burns. Okay. Nesbitt Burns is the financial investment arm of the Bank of Montreal. Now, the Bank of Montreal itself, a corporation, gave \$140,000 to the government party in power. These two giants now said: we want to merge. They want to dominate not only the banking industry but also the insurance industry or any other industry. They have been preaching all the time competition. Yet they want to dominate and have a monopoly of the industrial commercial sector. May it not be inferred reasonably that what the bank wants, the bank will get?

What are the effects of globalization of trade in our national and provincial economic system? The globalization of trade leads to privatization of the public sector economy. That is undeniable. Globalization promotes deregulation of the public sector economy, the public being deregularized and the private sector being expanded until everything becomes purely private sector. Globalization also encourages the structuring, so called, of our hallowed institutions like publicly funded pension programs, the Canada Pension system, the Canada Pension Plan.

In every level of government you see all these processes taking place. There is the privatization of Canadian National Railway. There is the transfer of the Winnipeg Airport from the federal to local airport authorities. There is the privatization of a public Crown corporation, provincial Crown corporation, MTS, Manitoba Telephone System, into privately owned and based by the private lords of money, and the contracting out of essential city services like garbage collection, snowplowing services, to private entrepreneurs.

In turn, all these processes, privatization, deregulation, restructuring, contracting out, what are we witnessing now? An insidious and malevolent corporate takeover of democratically elected government at all levels. It may not be intended, but the systematic process is going on. In the name of efficiency, in the name of saving money, they are cutting services, essential services, for the good of the people. Corporate rule has been gradually replacing democratic rule. This is destroying political accountability under the guise of corporate efficiency, saving money, and excuses in order to cut essential public services and even laying off employees of government.

\* (1700)

Democracy then, as the rule of the majority of the people, who are many, by definition, is gradually being replaced by the rule of the few, and these few ones are the wealthy ones. The Greeks had a name for them, plutocracy, the rule of the wealthy. Now if we analyze our oldest changes and processes taking place around us and we apply what has been known as systems analysis, this is what we come up with. Every system consists of subsystems, each subsystem having its own function, and if they perform their respective function with integrity under the guidance of the leading system, then the whole system prospered.

Take the person: we have a circulatory system, respiratory system, digestive system, everything is going well, each one is sticking to its own function, the person is healthy. In the same way, the total system will function well if the economic subsystems and its components, public and private are equally balanced, and the cultural subsystem also, religion and other

things equally balanced, under the direction of the political governmental system, the whole society will be happier, and they will achieve prosperity. If soldiers stay as soldiers, priests stay as priests, merchants stay as merchants, politicians stay as politicians, then interests of everyone will be more or less protected because they counterbalance each other in a delicate system of equilibrium and the interest of everyone is promoted in society.

They sometimes say, oh, no, that is all baloney. There is a contradiction and conflict between equality and liberty. That is what some people will say. Is there really any contradiction or conflict between equality and liberty? I do not think so, because relative and reasonable equality of income, plus relative and reasonable equality of being able to express oneself are both essential conditions for economic and political liberties being preserved in society. The true measure of success of any government, regardless of political stripe or partisan consideration, is the extent such government in actual fact promotes economic prosperity by reducing unemployment, reducing poverty and improving the quality of life of all the people, not just the few. Look at the budget.

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** Order, please.

**Mr. Santos:** I think I am touching some nerves here. The primary role of government as the dominant and leading subsystem in our total societal system is to promote social, political and economic equality of opportunities for all of the people, but if the government is taken over by the few wealthy lords of money, then democracy and the majority of the people through their elected representatives are also being taken over by this monied class, motivated by self-interests and love of money. Then such a situation truly becomes the beginning and end of democracy and the start of increasing human misery. For the love of money is the root of all evil, which some coveted after, they have erred from the faith and purged themselves through many sorrows, but they that would be rich fall into a temptation and a snare into many foolish and harmful desires which drown men in destruction and perdition.

Elaborating on that love of money and love of power some writer, like the one who wrote a book called *Millennium*, believed that in the world today there is a secretive group of powerful people who are utterly obsessed with intense greed of money, but not for money itself because they had more than enough, but because of the power and influence that the possession of money will allow this person to will. To the super rich, economic elite, control over money is control over what money can buy beside election outcomes, co-operation of reluctant elected officials, strangling of any and all opposition.

The government is being taken over by the wealthy, but this is not the only thing that is happening. There is a continuing institutionalization of this process. There are now multilateral agreements starting with the U.S.-Canada Free Trade Agreement, the North American Free Trade Agreement extending the free trade zone to Mexico, now the Proposed Multilateral Agreement on Investments. These are all manipulated and run by the global financial elites, the same people that control the regulating agencies of a private nature like the International Monetary Fund, the World Bank, an international bank for reconstruction and development, who can determine the fate and destiny of many, many countries, including our own.

Let me give an illustration. We recently witnessed the unprecedented economic growth of the so-called newly industrialized countries, the so-called economic tigers in Southeast Asia. This includes Malaysia, Indonesia, Thailand, Philippines, South Korea. Now they become serious competitors to this moneyed class. So suddenly they become under constant and sustained attacks by the international financial speculators. Unexpectedly, these countries found themselves in financial trouble because of their tumbling currencies. As a result, they had to submit themselves to the International Monetary Fund's so-called structural adjustment programs. If they are to be loaned money, they have to remove government subsidies of publicly protected industries. They have to submit to strict austerity and cost-cutting programs. They have to cut social services programs; they have to undertake market re-entered measures that would enable the financial international capital money people to dictate, if not take over, local financial and other institutions.

By privatization, forcing government to get out of lucrative areas of the economy—like we were forced to get out of the Manitoba telephone system and maybe hydro next time—then these are taken over by the multinational, transnational corporations. Because they can easily penetrate the corporate profit-making and foreign corporations, they take advantage of the rich opportunities in the area that they have taken over. Are we in Canada safe from this assault of the corporate lords of money? Are we in the province safe from this process?

\* (1710)

Both the federal and the provincial governments, including Manitoba, are surely getting out of public functions through privatization, contracting out, deregulation and other measures. With our eyes open, the moneyed class are taking over control. Do we allow ourselves—let me conclude, and say, we, with open eyes, do we allow us, elected representatives of all the people, do we allow the corporate agenda to control our city, our provincial, our federal governments' priorities by these corporate giants? Do we? Thank you.

**Hon. Harry Enns (Minister of Agriculture):** Madam Speaker, it is for me a unique privilege to address a budget. If my count is right, it might be the 32nd budget that I have had the occasion to address.

I want to address a few remarks to you, Madam Speaker, because I was unable to speak during the course of the throne speech. I, of course, want to assure you, although it is hardly necessary for me to say it, that you know that you have my absolute and total obedience to your slightest wish and command in this House. I accept your direction. You merely have to look in my direction for compliance with any of the requests for order that you sometimes feel compelled to ask for in this House. I assure you that you have it from me.

So this budget—and I would just make one passing refrain to my past service—it does remind me as we are about to decide how we spend the \$5,800 million that we collect from our fellow citizens, one million people of Manitoba, and we decide in this Chamber how best to spend that money, in health, in education, on family

services, on roads, on parks, on agriculture, that is really what parliament is all about, and that is what we do every day here.

I am reminded—and it is shocking to me—that the first budget that I was asked to vote on and support was for the grand sum of \$258 million. I do not feel that old. I was not dating back to the Middle Ages. In fact, I feel reasonably invigorated. You know, I just keep my little nitro bottle with me, and I am otherwise in great form and have every intention to serve my constituency of Lakeside for a little while yet and hopefully continue in this Chamber for a while.

But I detect, Madam Speaker, and I must tell you, of the 32 budgets that I have had the privilege to address and to speak to, there is a special satisfaction in speaking to and supporting this budget. It is a watermark; it is a bench-line budget. You know, two years ago, three years ago, having become successful in balancing our books, in erasing the deficit, that might have been a one-shot wonder. It might have been put under pressure if the economy did not perform all that well, or if we faced some extraordinary calls on the public purse, like we did during the course of this year in the great flood that we experienced and other difficulties that the government of the day had to cope with.

But to be able to stand in this Chamber and support a fourth successive, balanced budget with a modest surplus tells me that we really have come to a turning point in the affairs of Manitoba. I am extremely proud and privileged to be a part of it, to have lived long enough and to have been in the Chamber long enough to see this day happen. I will not abuse the rules. I can understand why there is but scarce interest in the budget by members opposite, while in this Chamber we have just about full representation. I should not make reference to that, if the House leader was here, certainly, but I can understand that, Madam Speaker, because I detect an angst, a frustration bordering on desperation, because they know that next budget will be even better.

They know that the next budget will be even better. It is not by manipulation; it is by pursuing a plan, a plan that was started in year one by this government. That was 10 years ago; a plan that was carried through in

successive money-management budgets by the predecessor to the current Minister of Finance (Mr. Stefanson); a plan that this government has deliberately pursued and we disciplined ourselves to pursue despite some difficult times. Because as in any family, as in any business, of course it is easier; it is more fun. It is more pleasurable to be in a situation to whenever any time, anybody wants something, simply hand the money out.

But that led us to the situation that got us into so much financial trouble, and it should still be our concern. The fact is that the fifth largest call on government spending is not a department like Agriculture that provides the foodstuff for not just our million people but for so many others. It is not the demands of my colleague from Rural Development (Mr. Derkach). It is not the calls from the Minister of Highways and Transportation (Mr. Findlay). It is the servicing of our debt which is the fifth largest department of government today.

So, Madam Speaker, there ought to be, and why would there not be, some recognition of this fact that we are paying down that debt faster than we were. That is the most direct and the most effective way of increasing revenues that we can then spend on social services, on our health budget, without increasing taxes. I have not checked the actual figures, but I am sure that we are still very perilously close to about \$500 million that we are paying in servicing the debt. Although that figure is going down, we have to be concerned if there should be some drastic changes, upheavals. We had a very interesting, lengthy lecture on global economics by the member for Broadway (Mr. Santos) a little moment ago, but should we enter into a period of higher interest rates or something like that? That is a continuing challenge that we have as a government.

So, Madam Speaker, I am delighted to support this government, and I can only suggest to honourable members opposite that they ought to be telling us, in a more constructive way, about how we plan for the future.

I do want to spend a bit of time on the immediate responsibilities that I have for the past few years carried in the government of Manitoba, those that involve agriculture. I want to address it in a different way.

You know, I am always kind of troubled by the fact that—I should not generalize, and one should not generalize, but having said that, I will do it anyway. It seems to me that all too often from the very people or from that segment of our population that is day after day calling for greater expenditures on health, greater expenditures in education, greater expenditures generally in the social services that governments provide, they are the ones who are all too often—not always, but all too often—the ones who are most critical when governments or a private sector portion of our population try to generate the wealth to make that happen, to make that possible.

They are the first ones to object to what is happening in our forestry industry; they are the first ones to object to what is happening in our mining industry; they are the first ones to jump on the ladder and say, well, we should put all our lands into endangered spaces zones; we should allow no development; we should allow no expansion in agriculture; we should contract all these things. Yet the next day they are up here demanding an extra \$100 million for this service, for that service. Does nobody ever ask themselves who creates that wealth? Does nobody ask themselves that that wealth is created by physical production, by transforming certain things?

\* (1720)

I have made this statement before. We all pay. I know all of us members pay a very significant—and too high, quite frankly, despite even the reduction that the Minister of Finance (Mr. Stefanson) brought in local taxes. But that kind of wealth is not creating wealth. The wealth that makes us do those things that we want comes from our forestry industries, comes from our mines, comes from our base agricultural industries, comes from our base manufacturing industries. We turn something into value-added goods that we ourselves and other people require.

In agriculture, ministers of Agriculture across this land, led by the federal government back in 1993, we have for instance set for ourselves a target. We have said that agriculture should set as a target the goal of exporting \$20-billion worth of foodstuffs by the year 2000. Now, I sometimes get asked, and I understand that, from some of my friends and neighbours, they will

say, Harry, what is this enthusiasm for? Why do we need more hogs or why do we need more of this or why do we want more beef cattle? Well, Madam Speaker, let us be very clear about this. We can shut down agriculture, we can grind it right down to about 20 percent of what it is.

We only consume about 18 percent of the wheat that we grow. The rest we ship to the world and make good money at it. The farmer does not always make good money at it, but it earns about \$6 billion of income for Canada. The same thing with hogs, 70, 80 percent of the hogs that we produce and the pork that we produce in Manitoba is sent to any one of 64 countries: Japan, Korea, Taiwan, United States. We do that to generate the wealth that I speak of.

So honourable members opposite ought to think long and carefully before they automatically criticize and jump on the band wagon to halt this kind of economic activity in our fair province. It is absolutely essential if we are going to provide those kind of services that day after day after day we hear called upon for this government to provide.

I make the observation—and I do this with no particular complaint because that is just simply the way our society has evolved—in Agriculture, only 3 percent of our population are food producers. That is a massive change over the last 50, 60 years. There was a time when the majority of our population was on farms, were actually food producers. That has shifted continually and continues to shift to some extent, regrettably.

There is an opportunity, I believe, for us to change the face of agriculture, not necessarily in the sense that we will return to that kind of nostalgic concept that we have of the family farm, small acreages, mixed farming, although there are many who will continue to enjoy that, and they can enjoy that and will enjoy it.

That is not to say that they will make that into a very successful business, but in terms of a lifestyle if that is their choice, God bless them. Quite frankly, I fall perilously close into that category, modest cattle rancher with a few sheep and goats at home, a couple of dogs and a couple of riding horses. I am quite happy

and my family is happy with that as a lifestyle of my choice.

But I also know that if I want to compete in the global market that my friend from Broadway is so concerned about with my pork or with my other agricultural good stuff, then I have to think of alliances, then I have to think of getting together with organizations that have the marketing capacity, like the Maple Leafs or the Schneiders, and have to put together the necessary capital to build and to build to scale and to get the efficiencies that can be provided under these circumstances.

But you know, Madam Speaker, that is not so bad; in fact, there are a lot of benefits to that. We now are offering opportunity for farmers and primary producers in Manitoba, rural or urban, to be hog farmers. You got \$20,000 invested in a hog barn along with five or six or other people, you do not have to clean out the barn every day, and you do not have to haul the feed to it every day. You are an investor in a hog barn and you are in agriculture, and that is what is happening in rural Manitoba.

We are going to see more of that happening in rural Manitoba. Not just with pork, we are going to see it happening in bigger beef feedlots. We are going to see that happening in some of our speciality crops, in our forages. We are seeing that happen. We have an opportunity of exporting out of Manitoba some first-quality forage that can only be grown here, partly because of our geography and partly because of our climate and our access to good markets in the south, and it is being done.

But that means a different configuration of what we used to think in terms of, oh, I am a farmer; it means five or six people or even more, 10 or 12 people. I just recently amended the regulation of the Manitoba Agricultural Credit Corporation because I want to see and I can see the possibility of 15, 20 or 25 producers coming together to form associations, co-ops, if you like, to value-add to their primary production and gain a better income for themselves, greater stability for their farm produce.

I am delighted and I am pleased that my colleague, the Minister of Corporate and Consumer Affairs, that gentle member for River Heights (Mr. Radcliffe) who—

**An Honourable Member:** Soft-spoken fellow.

**Mr. Enns:** Soft-spoken, but always earnest, you know, is introducing to this Legislature this year special legislation that will bring into being a new generation of co-ops in Manitoba that will have a particular impact on agriculture.

I can see that kind of agriculture developing in the future that honourable members ought not to feel concerned about. [interjection] Absolutely, and you are going to see a development and a growth of those kind of co-ops. They are somewhat different than the traditional co-op. They have a little different understanding of investment dollar in the credits coming out. These have worked extremely well, particularly in some of our neighbours to the south in the Dakotas, in Minnesota, and my colleagues, the members of the Rural Task Force, made a special effort to visit and to become acquainted with them. The result of that exercise is legislation that is going to be brought down for consideration by all members very shortly in this Chamber.

So, Madam Speaker, these are the directions that agriculture is going. These are the directions that we have set for ourselves in this province. Are there challenges? Are there problems? Of course, there are, particularly with livestock. Livestock has and can be more intrusive on our environment. I know that, and I am challenging the farm community and the academic community and the business community, everybody that is involved, to address that.

I put together a blue-ribbon committee, if you like, of people in the hog industry, for instance, and told them, look, this whole industry of yours, as exciting and as great the opportunities are, will stall or will not go any further unless we take very seriously the concerns that citizens are telling us about the environment. Citizens are telling us about how we handle the manure in a responsible manner and how we safeguard their future, our water suppliers, our ground water, and also not necessarily that it be a polluting and environmental issue, but a matter of being a good-neighbour issue. I speak of odour and unacceptable levels of odour that are related to that industry, but I am satisfied that we are going to resolve those. We are.

I can tell the honourable members, Manitoba is in the forefront. There is likely no jurisdiction in the world that is leading in terms of regulation and responsibly organizing this industry. We are not in danger of repeating some of the mistakes that have been made in other jurisdictions that are sometimes named: the Carolinas or even Taiwan or other places. We have the land base. I mean our density, in terms of density of population of hogs versus our land, we are at about 180 or something like that versus to other countries of 2,000 and 3,000. So we have ample room to allow this industry to expand in a very responsible way.

\* (1730)

Also I happen to have a great deal of confidence in the technology that we can apply to the industry, if we have the political will, the industry has the will, to put some dollars into it to resolve some of the issues. Quite frankly, if we can put people on the moon, we can take the stink out of hog manure. Quite frankly, if we can put people on the moon and we can do the marvellous things that we are doing with computers, we can know how to use—I refuse to call it a waste product that comes from hogs; it is a very valuable organic fertilizer.

Instead of putting chemical fertilizers on our land, done properly, we can save the farmers thousands and millions of dollars, take better care of our environment, and truly make it a sustainable cycle of hogs, you know, taking in the front end, the barley and the feed, and out of the back end, putting that on fertilizer on the land in a responsible way and having a sustainable industry that can be there for years and years to come. [interjection] Well, nobody has to have it on their land. No, let me make it very clear, if a municipality does not want a hog barn in their area, they do not have hog barns in their area.

But let me also make it very clear, those municipalities that choose to build hog barns, they will see their taxes drop every year. They will be building new schools. They will be building new hospitals. They will be paving their municipal roads. They will have influxes of population. They will build recreation centres. That is happening right now. The area in the southeastern part of the province of Manitoba is the only part of rural Manitoba where we do not have a population drain, where we have regular population

growth, where there is no crime, where we are building new hospitals, where we are building new facilities. This is what I talked about in the beginning. You do not want economic production—fine, but then, do not be the first one to line up for economic services, so let us understand that.

My government is not going to impose on any area, on any municipality, where they should or should not build hog barns, but, Madam Speaker, the municipality that does not realistically look at it is simply being, quite frankly, irresponsible to their taxpayers.

Madam Speaker, I have talked about pork, but it is inevitable that we are going to be more livestock-inclusive because of the loss of the Crow. Not just pork. We are going to move toward increasing cattle and beef operations. Our feed lots are beginning to come back, and that is good because as we start to finish more cattle in Manitoba, we have the chance of attracting and bringing back a major beef processing plant. It is a crying shame quite frankly that not that many years ago in 1972-73 in Manitoba, we were processing over half a million beef animals, all of our own, half of Saskatchewan's and some from Alberta. Today we are processing about 30,000-25,000, half a million down to 30,000. With that, as we ship our underfinished animals to the south, to Alberta, to Ontario, with that we ship hundreds and thousands of jobs, good paying jobs, so we are going to recover that.

That same challenge will be there for our supply-managed industries, for our chicken producers, for our turkey producers, for our egg producers. With it, Madam Speaker, comes a particular responsibility of properly managing this, so that we can have the absolute security and the knowledge that our environment will be passed on to our children in a manner and way which we want it to be passed. Quite frankly, I would seek some support from honourable members opposite from time to time.

Madam Speaker, I am delighted to have this occasion to speak to these issues. I am delighted to be part of a group and a government that has persevered—and the word “persevered” is really true. It has not been easy for any of those, myself included, ministers who have come through the last five or six years of frozen

budgets or of reduced budgets, of having, in too many instances, not been able to fill positions. But we had a goal. We had a plan, and we have arrived at that plan.

This is the one thing that I am totally dumbfounded by honourable members opposite. I mean, it is quite legitimate for the honourable members opposite to accuse this government of not liking the plan that we have or saying that we are working too slow and to move along the plan that we have.

I find it particularly unbelievable when the charges day after day are levelled at my colleague the Minister of Health (Mr. Praznik) about not having a plan with respect to delivery of health services. Madam Speaker, a plan has been developed like you would not believe, and it has been made very public. We are restructuring the whole health delivery service in Manitoba. We have done away with, I do not know how many, 50, 60 health boards and brought them into regional health boards. We are restructuring the whole city of Winnipeg delivery system under one Winnipeg authority. I mean, talk about a plan. That was borne over the last two or three years, and it is being executed now.

Fine for you to say that you do not like the plan, we are going too slow or it is not happening, but the one thing that you cannot say is that the Minister of Health and this government does not have a plan. We have a plan. We have had a plan, and we have had an overall plan. We have had an overall plan for this government and that really was the glue that kept us together, quite frankly. We knew that if we co-operated and pulled together as a team, we could come to this position where we could present this kind of a budget, a balanced budget, that we could start putting resources back to where they were needed, and we saw just a new dawn, a new era, coming to be for Manitobans.

And that, Madam Speaker, is their frustration. That is their angst. They know that next year's budget will be a better budget than this one even. They also know that next year this government could be coming a little closer to that time when we check with our electors as to whether or not we ought to stick around for a little while. I honestly believe that the plan that we have been on is working; the plan that we have set out for ourselves is a responsible one.

We have done it, and I pay particular compliment to my leader. We have done it without some of the notoriety or the headlines of some of our neighbouring jurisdictions in Alberta or in Ontario, but we have been just as deliberate in pursuing a fiscal plan and getting this province, his finances, in order and now being able to respond to those very legitimate concerns that we all have about providing services to our people. Thank you, Madam Speaker.

**Ms. Diane McGifford (Osborne):** I am sure the Minister for Agriculture (Mr. Enns) will excuse me for not joining in his enthusiasm for this budget. The minister talked about government revenues, and he was particularly interested in the source of government revenues, and so I have pulled out my Manitoba Estimates of Revenue and want to give him some information.

In wondering about the sources of government revenues, I think the point the minister was making was that private enterprise generates revenues by way of employment and by its commensurate personal income tax. If we look at the Estimates for revenues for 1998-99, we do see that \$228,200,000 are generated by corporate income tax and \$1,480,200,000 are donated by individual income tax, so I'm just giving the minister that information. What I think is interesting, and what the minister did neglect to mention in his discussion, was that \$227 million come from lotteries and an additional \$150 million come from the generation of money through the Liquor Control Commission, so just to provide him with that information.

The other thing the minister was talking about was the better budget that his government plans in the future, and I suppose by a "better budget" this is really code for: the plan is to get re-elected, so let us provide a big income tax cut next year. [interjection] Well, our plan will emerge in good time. One of the things we do not want to do is give our plan away too early, so that it is not taken up by members opposite.

In speaking to the budget speech today, I am reminded of the throne speech in December. The throne speech in December and the budget speech in March seem to be twin speeches which reflect the government's vision. The first, that is the throne speech, I assume presents the concept or the theory, and

then I would assume that the second supplies the practice or describes the implementation of the plan that was outlined by the Premier in the throne speech in December.

\* (1740)

This government twinned or paired vision seems to me to be a lot of gloss and little substance. I notice that in both the throne speech and in the budget speech there was a lot of high-flown rhetoric, grand eloquence and a lot of hyperbole in both documents so that the form of both documents seem to be characterized by a welter of rhetoric. It would seem to me that the reason for this is that this is intended to atone for the paucity of substance in both documents. I suppose a more careful deconstruction would suggest other kinds of evaluations of these documents. I know that the member for Concordia (Mr. Doer) has identified the cynicism and deceit apparent, particularly in the budget document. One might think of that document as being arrogant and rather bullying in true Tory tradition.

One of the things I wanted to note was the theatrical nature of the minister's original delivery when he presented his budget a week as of tomorrow. He reminded me of Macbeth's evaluation of life itself described as a tale full of sound and fury, signifying nothing. The best I think that can be said of that budget is like all bad art, it breaks no new ground and merely clones another earlier model—[interjection] I think the Minister for Education (Mrs. McIntosh) wants to speak, Madam Speaker, so perhaps I should sit down and let her assume the floor, or perhaps you would call her to order and ask her to behave with a little more decorum.

**Madam Speaker:** Order, please.

**Ms. McGifford:** Madam Speaker, I wanted to begin by making mention of the minister's prebudget consultations. I want to begin here because this directly relates to my critic area and specifically to The Freedom of Information Act.

The minister, in his budget speech, made references to the various communities that he and his colleagues visited. He made reference to the hospitable receptions that they received in those communities. I am sure this

is true. He made references to the insights and to the analysis of Manitobans. He said that insight and analysis characterized the views of the 2,000 Manitobans who attended these prebudget consultations. I have every reason to believe that the minister is accurate when he says that because, of course, I think very highly of the opinions and analytical skills and forward thinking of most Manitobans. I regret that some of these meetings at least appear to have been by invitation only and, therefore, the conclusions of the minister that he does indeed represent the priorities of all Manitobans could be slightly suspect. We know very well that when questions are put to a very carefully selected audience or group that one usually gets the answers that one wanted to get.

The minister says that Manitobans made four basic suggestions, and these are set out in the budget: one, he says that Manitobans want to balance the budget; two, they want to pay down the debt; three, they want to strengthen health care, education, families and justice; and four, they want to reduce taxes. I cannot say, Madam Speaker, that anybody on this side of the House disagrees with these priorities. Traditionally, we have endorsed balanced budgets; we have traditionally endorsed fiscal prudence. Anybody who knows anything about Tommy Douglas, for example, and anything about Tommy Douglas' fiscal policies knows that New Democrats value these practices.

So I accept what the minister tells us: Manitoba's priorities are as he identifies them. These are the priorities of New Democrats as well, and quite clearly, they are the priorities of New Democrats in Saskatchewan. I think Roy Romanow was the first Premier in Canada to balance the budget, and he is a model to us, just as his predecessor, Tommy Douglas, was a model to us all.

So, Madam Speaker, New Democrats do not disagree with the priorities that the minister has identified with this budget but, soon after, if any members opposite took the time to read the press release put out by the Leader of the Opposition (Mr. Doer) just prior to the budget, they would see that he identified the same priorities in that press release and at that press conference.

We agree on the priorities, but our paths soon diverge when it comes to the implementation of the suggestions made by Manitobans, as all our speakers have pointed out and as all of our speakers have attested. I want to mention here the Minister of Finance's (Mr. Stefanson) refusal to reveal the results of these budget consultations on the grounds that they constitute a cabinet document.

These supposedly public consultations—a cabinet document. This seems to me a slippery trick and a way of avoiding scrutiny and a way of slipping around The Freedom of Information Act and a way of slipping around legislation as this government has so often done in the past.

I want to add here that the Ombudsman disagreed and I suppose continues to disagree with the minister, because the Ombudsman recommended release. But this Minister of Finance, as he has done before, just simply refused to comply.

Here, through the actions of the Minister of Finance (Mr. Stefanson), we have an excellent example of the antidemocratic mentality of this really smug and arrogant government. Here is this government denying information, in this case information which would be really necessary in order for the press or other individuals to evaluate the minister's budget. The minister claimed that his budget was based on the priorities of Manitobans, then refused to release the results of these consultations.

Madam Speaker, the Finance minister's violation of the Ombudsman's recommendation makes the point made over and over again by the NDP speakers in 1997 when we debated The Freedom of Information and Protection of Privacy Act, and that point was that the Ombudsman, under the current legislation, has the power to recommend. But this power falls far short of the powers that will be required if Manitobans are to have access to information and real privacy protection.

Again, what this province needs, as we have said before, and as the member for Concordia (Mr. Doer) promised late last spring, I think actually early summer, June 28, 1997, when we form government is a freedom of information and privacy protection commissioner.

However, we will have the chance to debate this matter in the next few weeks via private member's resolution, so I am going to end this particular topic by acknowledging the Ombudsman's work, the Ombudsman's commitment to the freedom of information and by putting the words of the Ombudsman on the public record. He said, and I quote: Nothing has been provided to me to show that a record of public opinion, i.e., these consultations of the Finance ministers, to show that a record of public opinion discloses a cabinet confidence. I am disappointed with their tradition.

\* (1750)

I want to now turn to my critic area and discuss the implications of this budget on Culture, Heritage and Citizenship. Just as the Ombudsman is disappointed in the Minister of Finance (Mr. Stefanson), so am I disappointed in the Culture budget. I note here that since 1991-92, which is as far back as I researched this afternoon, the budget for Culture, Heritage and Citizenship has dropped every year.

The pattern is clear. The pattern is to estimate expenditures, underspend them and then the following year's estimate becomes the underspent amount. The actual expenditure for Culture, Heritage and Citizenship in 1990-91 was \$59,614,200 and in 1997, this amount had decreased to \$51,762,000. This is a drop of \$8 million or over 13 percent. Of course, these figures reflect actual dollars and not real dollars, so I have not even begun to estimate what the real drop would be.

I want to add here that this year's estimate is down from last year's, and so it goes on, slowly eating away at the budget of Culture, Heritage and Citizenship.

Now I do want to acknowledge that this government has been fairly constant in its support of high-profile art organizations and other cultural organizations. I cite here, particularly the ballet, the symphony, Manitoba Theatre Centre, the Winnipeg Art Gallery and the Manitoba Museum. This is exactly as it should be. These are very important organizations. New Democrats recognize the rich contributions that dance, music, dramatic arts, visual arts and historical and heritage exhibits and studies have made to our cultural lives and to our personal identity as well as to our

economic well-being. But New Democrats as well recognize through our community work and through our consultations with community people, that smaller organizations, smaller arts organizations and smaller museums, et cetera, smaller groups which are ultimately the source of creativity and ultimately the source of trained and highly skilled artists, that these are the groups that are chronically underfunded. These are the groups, moreover, where experimental and cutting-edge work is done. These groups of course often feel the inadequacy of support.

The sad thing is, Madam Speaker, if these groups are not properly supported, then the other groups will not have the workers, the artists, will not be able to continue with their work. So I think that this needs to be paid some attention to.

In my experience, these smaller organizations are often community based. They are often run on a shoestring, and often these groups look back—I know this from my discussions—look back to the halcyon days when the NDP was in government and when Eugene Kostyra and Judy Wasylycia-Leis were respectively ministers of Culture. I have heard over and over again what excellent ministers both Judy Wasylycia-Leis and Eugene Kostyra were in their time.

Madam Speaker, I thought it was telling that Culture, Heritage and Citizenship had a single line in the budget, and I cannot remember that the throne speech had anything at all, but I could be mistaken. Yet, despite the fact that Culture, Heritage and Citizenship received only a single line in the budget, it is true that study after study has conclusively documented the economic impact of the arts, the economic multipliers, the numbers of jobs produced and jobs produced at relatively low costs, the benefits to tourism and to the hospitality industry. The economic impact of the arts, as the member for Minnedosa (Mr. Gilleshammer) knows, because I think he was a minister in 1994 when a report was produced on the economic impact of the arts, anyway it is tremendous. I think it is, for every dollar invested, there is a return of \$3, but the member might correct me if I am wrong.

We know too, Madam Speaker, that at a time when globalization and the mass market are leading to a kind of bland, homogeneous Americanization of culture

everywhere as well as to the rapid erosion of Canadian institutions and traditions, we know that the arts and culture are one of the few things we have left that can help us preserve a sense of our unique identity. The arts and culture tell us where we are, they tell us where is here, if I can refer to Margaret Atwood here, and they tell us who we are.

Madam Speaker, the separatists in Quebec have alleged in their presentation to the Supreme Court of Canada that there is no such thing as a Canadian people. Our culture is under siege. What is important, vision and leadership, are absolutely essential. Yet these two documents—I am referring to the throne speech and to the budget—appear bereft of vision, bereft of inspiration. They are extraordinarily pedestrian just at this crucial time when what we need is leadership and vision when it comes to arts and culture.

Now, I would be delighted to be proven wrong, and perhaps the Minister of Culture, Heritage and Citizenship (Mrs. Vodrey) will do that when we meet at Estimates, but my understanding at present is that arts and culture, heritage and citizenship do not appear to be a priority or a main concern of this government.

As I have said, this is extremely unfortunate for the reasons already cited but as well because of this government's failure of imagination, and in its failure of imagination, the government fails to understand that arts and culture can also be a way of attacking the social deficit. They can also be a way of improving quality of life. The government fails to see that arts and culture can provide an opportunity for engagement with positive alternatives and I think fails to consider, and I know the Minister of Justice (Mr. Toews) will be interested in this, the rehabilitative aspects of engagement with the arts. Indeed, arts and culture have a role in all ministries but appear to have received one miserly line in the government's budget document.

Before leaving this subject, I want to point out the educational values of the arts. Recent studies have provided startling examples of the effect of early music and early art education on the intellectual development of children. Here I am really speaking to the Minister of Education (Mrs. McIntosh), and I hope she is listening, because I think it is extremely important that

she understand the value of art education in the public school system.

**Madam Speaker:** Order, please. When this matter is again before the House, the honourable member for

Osborne (Ms. McGifford) will have 18 minutes remaining.

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

# LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, March 12, 1998

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