



HAN

Fifth Session- Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

Member	Constituency	Political Affiliation
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.
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DRIEDGER, Myrna	Charleswood	P.C.
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EVANS, Leonard S.	Brandon East	N.D.P.
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HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
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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.
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<i>Vacant</i>	St. Boniface	

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 3, 1999

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

MINISTERIAL STATEMENTS

Forest Fire Conditions

Hon. Glen Cummings (Minister of Natural Resources): Madam Speaker, I have a statement for the House. I have copies.

We have had severe fire weather conditions recently with high winds, high temperatures, and low humidity. This past weekend created an extreme fire hazard in this province. It appears at this time the conditions will improve somewhat; however, unsettled weather is predicted. We are expecting cooler temperatures, moderate winds and scattered showers and hopefully some reduced winds.

At this time, there have been 165 fires that have been reported in total in the province, with 18 new starts in the past day. That means that we currently have about 60 active fires in the province. All fires, virtually without exception, have been human caused, and I cannot emphasize enough that all outdoor burning is prohibited; back-country travel is not recommended. If conditions do not improve, we will be faced with travel restrictions, and persons responsible for causing fires will undoubtedly be charged.

The Manigotagan area fire remains our No. 1 concern. We are continuing to protect this community with about 200 firefighters on line today. Approximately close to 700 people out of a population of 900 have been evacuated from Seymourville, Hollow Water and Manigotagan. The St. Theresa Point fire is still not under control and seven houses as well as a number of outbuildings have been lost. A fire at Sundown has cut off travel on Highway No. 12.

We currently have 32 helicopters, five CL-215 water bombers and numerous other aircraft committed to supporting these firefighting operations. Currently, the province of Manitoba has on the ground about 500 firefighters. The State of Minnesota is assisting with a long-term fire retardant water bomber and help is being received from Alberta and Saskatchewan. More than 50 fighters have been mobilized out of the province of Saskatchewan.

Natural Resources firefighters, I believe, are doing their very best under some very trying conditions. We have just seen extreme wind conditions combined with low humidity yesterday that made firefighting virtually impossible. If we receive some precipitation and some cooler temperatures in the next few days, we will possibly enjoy some improved conditions. I have to remind everyone and emphasize that outdoor burning is not permitted and that back country travel is certainly not recommended.

* (1335)

Mr. Eric Robinson (Rupert's Land): Madam Speaker, I would like to thank the minister for his statement in bringing us up to date on the unfortunate fires that are burning in several parts of the province of Manitoba. I know in speaking with Chief Larry Barker today of the Hollow Water First Nation, he pointed out that most of the community had been evacuated from the reserve that he represents. Primarily the people left in the reserve are the firefighters and some of the others that do not desire to move at this time.

However, we have been advised as well that the people of Seymourville and Manigotagan have also been displaced as a result of this unfortunate circumstance at this time. We have been told that many of the residents are being lodged in various locations, including the city of Winnipeg at various hotels, at the South East Tribal Council College in south Winnipeg, at the facilities within the Winnipeg Airport and also in

the town of Bissett. We want to thank the people in the town of Bissett for welcoming these people who are faced with this unfortunate situation.

The chief advises me that the bombers did not arrive until this morning at eleven o'clock to begin the efforts in containing a fire within the community of Hollow Water and the nearby Northern Affairs community known as Seymourville. I am advised further that there are 36 skidders and 16 caterpillars that have been provided by the Pine Falls Paper Company, otherwise known as Tembec, for the community to contain the fire. However, the community would like to express its need for pumps and hoses.

As you know, Madam Speaker, and many members in this House, we have an elite team of firefighters that come from the community of Hollow Water and the surrounding areas, and they are certainly experienced in dealing with situations like this. The chief further asked me to ask the government about the policy of ensuring that people's lives are not put at risk by—when is a decision made, for example, for water bombers to be allowed to go and do the work that they have to do? But, above all, the chief, I believe, is of the opinion that every effort is being made to contain the fire and certainly many people's lives are at risk, not only in the community of Hollow Water but indeed in St. Theresa Point where some houses have been lost. We are told that as many as 57 people have been evacuated from the community of St. Theresa Point in the northeast part of this province.

So, Madam Speaker, I do thank the minister for bringing us up to date on the situation of the fires that are burning out of control in parts of our province, and we will continue to listen for updates from the minister and his department so that we can assure the residents of these communities that are affected that there is indeed work being done to try and bring these fires under control. Thank you.

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 Grade 9 students from Collegial Saint-Paul under the direction of Madame Yvonne Fleury. This school is located in the constituency of the honourable Minister of Agriculture (Mr. Enns).

Also, ten Grades 8 and 9 students from Waterhen School under the direction of Mr. Ed Hill. This school is located in the constituency of the honourable member for Dauphin (Mr. Struthers).

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

* (1340)

ORAL QUESTION PERIOD

Health Care Facilities Food Services—Cost Savings

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, on February 11, 1998, the Minister of Justice (Mr. Toews) indicated to his constituents that the frozen food experiment of the government would save an annual cost savings of \$7.5 million. Further, in a letter to constituents, which I have, he stated that \$3 million in deficits for cafeterias would be eliminated.

I would like to ask the Premier (Mr. Filmon): in light of the former Minister of Health's words on this matter and the present Minister of Health's words on this matter, will the Premier correct the government's truth on this position to the people of Rossmere and the people of this province?

Hon. Eric Stefanson (Minister of Health): I have answered many questions for the Leader of the Opposition on the whole issue of the Urban Shared Services Corporation which, as he knows, is a corporation, in effect, created by the nine hospitals here in the city of Winnipeg. Their objective is to provide quality nutritional food and to do it as efficiently and effectively as possible.

One area where they certainly can save money is in the whole area of capital

construction. The capital costs of the new facility are about \$20 million. The estimated cost of improving all the existing facilities would be about \$35 million.

When the initial project was started, there certainly were preliminary business plans done which showed significant savings in the range of \$5 million to \$6 million. That was based on a certain time frame, a certain schedule of implementation. That schedule has taken longer to implement for a number of reasons, in part because of some capital requirements at HSC and other facilities, in part to be absolutely certain that the food is appropriate when it is continually rolled out to other facilities.

So again, the USSC released their year-end report just recently. They are updating their revised business plan. As the Leader of the Opposition knows, the Provincial Auditor has also indicated that he will be going in starting in June of this year.

Betel Personal Care Home Construction

Ms. Becky Barrett (Wellington): In June 1994, the current Minister of Health who was then the Minister of Finance was more than willing to participate in a photo opportunity for the sod turning of the Betel personal care home. Then, in early 1995, the then Minister of Health who is now the Minister of Education (Mr. McCrae) wrote to me as the MLA for that area saying that the Betel personal care home was one of his government's top six priorities. Then, shortly thereafter, the provincial election was held and after that the Betel personal care home, along with many other capital projects, was cancelled.

Madam Speaker, I would like to ask the then Minister of Health or the current Minister of Health or the Premier (Mr. Filmon), whoever would like to answer this, how the people of Manitoba can trust anything this government says when three Health ministers and five years they have promised a Betel personal care home and they did not come through with that promise, to the exacerbation of an already stressed health care system.

*(1345)

Hon. Eric Stefanson (Minister of Health): I encourage the member to drive down Erin Street and look at the site where the Betel personal care home is going to be constructed, and she will see a 120-bed personal care home project under construction by the Calgary organization. That contract was awarded in November of last year, and that facility is under construction.

She talks about the '95 capital project, uses words like "cancelled." I suggest to her that those projects were put on hold. Today, if you were to look at that 1995—[interjection] Do you want me to explain to you again why it was, which I have done on several occasions—

Madam Speaker: Order, please. The honourable Minister of Health, to complete his response.

Mr. Stefanson: I guess I should remind the Leader of the Opposition (Mr. Doer) that those projects were put on hold for at least two very good reasons. One, it was at the peak of the reduction in federal funding to the province of Manitoba, which amounted to some \$260 million annually going forward from that point on. It also was at the front end of the establishment of regional health organizations, which again would make sense for them to have an opportunity for input into the facilities that are being created across our province.

Having said that, those projects were put on hold, but if the Leader of the Opposition did a little homework and went back and looked at that list of '95 projects, he would see that the vast majority of them are either completed, under construction or committed to today, and they are going forward.

Brandon General Hospital Capital Project

Mr. Leonard Evans (Brandon East): Madam Speaker, the Brandon General Hospital is the only major hospital in Manitoba that has not been modernized. When this government was first elected in 1988, it scrapped the plans of the previous NDP government which was on the verge of constructing a new facility. The

government has since promised a major renovation, modernization, several times, including a few years ago when the member, my colleague the member for Brandon West (Mr. McCrae) unveiled a huge model of a brand-new complex, front-page story in the Brandon Sun—nice picture of the member—and he had it in the foyer of the Brandon General Hospital for many months. So everybody had a beautiful view of a model, but now that model has been scrapped.

Madam Speaker: Order, please. I am sure the honourable member for Brandon East has a question.

Mr. L. Evans: I have a question for the minister because we are back to square one, and we are in the planning stages again, believe it or not, for redevelopment, but in the meantime we have still got leaky windows and a lot of other structural deficiencies in the building. So my question, Madam Speaker, is: why should the residents of Brandon and indeed the whole Westman area now believe that this government will actually build a badly needed new modern health care facility in Brandon?

Hon. Eric Stefanson (Minister of Health): Well, Madam Speaker, I will certainly take pleasure in sending the member for Brandon East an update on the Brandon Hospital situation, both in terms of what has been done and what is currently being done. I remind him that just recently a 25-bed adult acute psychiatric unit has been completed in May of last year. I remind him that a 10-bed child acute psychiatric unit was again completed in November last year. I tell him to drive by the facility and look at the construction relative to the energy centre. I tell him to look at the announcements relative to all of the other improvements and the many millions of dollars for the Brandon General Hospital.

Madam Speaker, I have certainly had an opportunity to meet with the Brandon RHA. I have had the opportunity to meet with representatives from the hospital, and they could not be more pleased with the capital commitment that this government has made to the needed improvements of the Brandon General Hospital facilities.

* (1350)

Health Sciences Centre Capital Project

Mr. Doug Martindale (Burrows): The Health Sciences redevelopment has been on the books for years, construction was to start in the fall of '93. It was highlighted in the '95 pre-election health capital plan. In '96 the Health Sciences Centre was in danger of losing its accreditation. In 1996 these health capital plans were suspended. In 1997 the government said the HSC redevelopment was going ahead. There is a scaled-back version of the plan in this year's capital announcement, but to date there has been no separate announcement of the start of construction. If they had started according to their plan, it would have been opened by now.

Madam Speaker: Order, please. Would the honourable member for Burrows please pose his question now.

Mr. Martindale: Why should Manitobans trust this government is finally going to deal with the ongoing capital problems at the Health Sciences Centre, Manitoba's only trauma centre, when the project was supposed to go ahead in '93, in '95, in '97 and now is listed again in the 1999 Health capital funds? Why should anyone—

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

Hon. Eric Stefanson (Minister of Health): Madam Speaker, I am not sure that this member has driven by the Health Sciences Centre to see the number of improvements, the number of additions, the number of changes that have been put in place, in a large part because of significant capital dollars contributed by this provincial government. Certainly, when it comes to the whole HSC redevelopment, the site preparation has been approved for construction and Phase 1 is about to be awarded.

More importantly, the full \$108-million project already has the capital set aside and the commitment of this government to go ahead with that full development. So I encourage these members to drive by and see the many changes that are taking place on that site, whether it is the

Manitoba Cancer Treatment and Research Foundation or a number of other improvements that have been put in place. I, again, have had the opportunity to meet with people from that facility, to meet with representatives of the Winnipeg Hospital Authority, and they are extremely pleased with the significant financial contribution and commitment made by this government to a major redevelopment at HSC.

Health Care Facilities Capital Projects

Mr. Kevin Lamoureux (Inkster): Madam Speaker, for a number of days last week and previously we have consistently asked about the lack of integrity in dealing with the issue of the five-year capital health plan of this government. The core of the question has to be: what has changed today from yesterday in terms of credibility with this government? Given they made the commitments prior to the last provincial election, why should Manitobans believe this government this time, leading into a provincial election?

Hon. Eric Stefanson (Minister of Health): Well, Madam Speaker, I am amazed at that question because the one most significant thing that this member and his Leader should be aware that has changed—if you go back to '94-95, '95-96, you will find that federal support from our federal government to health care and post-secondary education had been reduced by \$260 million annually— a year, each and every year. We as a provincial government were backfilling that entire amount and still putting more money into health care. Finally, today, we do have a small step forward from the federal government. They have made a commitment to start to restore approximately one-third of what they took out of health care and post-secondary education. We will ultimately, in two to three years, get up to a level where they are putting back about \$90 million against the \$260 million that they took out. But, finally, we have a long-term commitment from the federal government not to be cutting money for health care but to finally be putting some of the money back into health care. That is what has changed, I tell him.

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

Fiscal Stabilization Fund Minimum Balance

Mr. Kevin Lamoureux (Inkster): Madam Speaker, as I indicated, it is a question of credibility. I ask the minister—and I will go to the Minister of Finance.

To the Minister of Finance: in your budget document, in the government's budget document last year, in reference to the Fiscal Stabilization Fund, it indicated that there was a target minimum balance in the Fiscal Stabilization Fund of 5 percent.

Madam Speaker, the question to the Minister of Finance: has that target changed today?

Hon. Harold Gillehammer (Minister of Finance): No, the target has not changed. The fund certainly was above that target for some period of time, and members opposite criticized the government because we were exceeding the target. Now we are slightly under the target and the criticism seems to be coming that there is too little in the fund.

We are committed to the Stabilization Fund, and we will be building that up with future revenue that comes into government, and it still remains as our target.

* (1355)

Mr. Lamoureux: Madam Speaker, I seek clarification from the Minister of Finance. The so-called target is nothing more than, I take it from what the government is saying, a hit and miss. In good times there is nothing wrong with falling under target or above target. Why even have a 5 percent target, if you have complete disregard for it?

Mr. Gillehammer: Madam Speaker, it does not surprise me that my honourable friend from Inkster does not support a target because he does not support the Stabilization Fund, period. This fund was put in place by our government when it had revenues that could be set aside in a savings account. Just like any prudent family has a savings account, we believe very strongly that

we need this fund for times when we may have disasters such as floods and fires. This fund has served us very well.

Health Sciences Centre Consultations

Mr. Dave Chomiak (Kildonan): Madam Speaker, we do not just drive by the Health Sciences Centre; we talk to people there, and we talk to the nurses and find out they are closing four beds of the 10-bed ICU in surgical. The head nurse in surgical ICU has quit because there are not nurses that are well trained. They cannot do the neurosurgery program that they are shifting from St. Boniface Hospital because the nurses are not available.

I would like to ask the Minister of Health how it is that they do not talk to people there to find out what is happening in terms of the Health Sciences Centre. We are short anesthetists; we are short nurses; we have the worst operating rooms in the country; and if you had done what you promised in '95, you would have a proper facility built there. Why does he not talk to people, Madam Speaker, instead of just shooting back rhetoric to members here and not dealing with the reality out there?

Hon. Eric Stefanson (Minister of Health): Madam Speaker, I do not need any lessons from the member for Kildonan for either talking to or listening to people, and that has certainly been a big part of what I have done in the last three months in terms of going to meet with organizations, go to facilities and meet with people who are working in our facilities, whether it be nurses or doctors or other health care supporters.

Certainly we have acknowledged that there are some issues that have to be addressed, and we are committed to addressing them. We are committed to bringing more nurses into the system here in the province of Manitoba, and that is why we have done a number of things, like establishing a \$7-million nurse recruitment pool, like working with employers to create more permanent positions in the health care system. At this point in time, we have gone through a collective bargaining process where both parties were able to reach agreement

through that bargaining process at the table, and that issue is being recommended by both parties and is out for a vote by the nurses' union membership.

So, again, we do not only talk; we listen and then we act. That is what counts.

Flin Flon Personal Care Home Construction

Mr. Gerard Jennissen (Flin Flon): Madam Speaker, my question is for the Minister of Health. Before the 1995 election, this government made a promise to build a new personal care home for Flin Flon. After the election, that promise was broken. Could the minister tell this House and the people of Flin Flon whether or not there are plans to build a personal care home in Flin Flon, and if there are such plans or promises, why should we believe the government this time?

Hon. Eric Stefanson (Minister of Health): Madam Speaker, again, a project has been approved for construction at the Northern Lights Manor, a 36-bed renovation project. That project will be going to tender in the next several weeks. So, again, the project is committed to, the resources are in place, and that project is moving forward.

Foreign Trade U.S. Dependency

Mr. Tim Sale (Crescentwood): Madam Speaker, any business person and most governments would be concerned about dependency on one market. Presumably that is why, in 1995, the Conservative Party promised that they would lessen the export dependence on the United States market, which was then at 72 percent.

Could the Minister of Industry, Trade and Tourism explain the utter failure of his government's policy and the broken promise so that now we are in a situation where trade dependency on the United States is up to 78 percent? Madam Speaker, we are more dependent on the American market than most states are. Can he explain his government's failure and broken promise?

* (1400)

Prostate Cancer Screening Program Implementation

Hon. Mervin Tweed (Minister of Industry, Trade and Tourism): Just contrary to what the member has put on the record, when I go to the trade missions and trade meetings with other ministers from other provinces across Canada, Manitoba is continually being recognized for its strong exports into world markets. Being relatively new to this position, I am constantly amazed and astounded at the accolades that they put forward to the province. I would say that the opportunity for continued growth with the exports and the manufacturing that is going on in the province is positioning us very well to continue this growth.

Urban Aboriginal Strategy Development

Mr. George Hickes (Point Douglas): Madam Speaker, my question is to the Minister of Native Affairs. Why, after 11 years and hundreds and hundreds of thousands of dollars wasted on consultants, is this government even now still developing an aboriginal educational strategy? Has the minister given up pretending that an urban aboriginal strategy will be committed before the next call for the provincial election?

Hon. David Newman (Minister responsible for Native Affairs): Madam Speaker, I am very pleased that the honourable member has raised the issue of the urban aboriginal strategy because this is something that has been developed in content by the aboriginal community itself under the auspices of the—or the process which was set up by the Round Table for Sustainable Development and a task force which was operating pursuant to that body.

The report was in interdepartmental working groups that reviewed all of that, and an implementation strategy is in the process of being introduced to the community itself and to all the parts of this province of Manitoba that have a concern about the implementation within the aboriginal community in Winnipeg. It has to be community based, and it has to be supported by all levels of government and by nonprofit and profit bodies in the province.

Mr. Conrad Santos (Broadway): To the honourable Minister of Health. On page 13 of Hansard issue of December 1994 the following was stated without any qualification: "A Prostate Centre will be established to provide leading-edge services to the more than 2,000 Manitoban men who have prostate disease."—1994. In 1996, two years later, the capital plans were suspended and there was not even an item in this present budget in 1999.

The question is: is it because this prostate cancer victim cannot go to the poll and vote? Why should Manitobans believe—

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

Hon. Eric Stefanson (Minister of Health): Madam Speaker, all health issues are extremely important, and certainly anybody experiencing cancer, prostate or any other cancer, is an issue that is extremely important to our government and I think all Manitobans. We have continued to make strides and improvements in various programs in all of those areas in terms of dealing with prostate cancer. We are also seeing a number of improvements in terms of testing, mammograms and so on. We have had discussion with one of the members in this House about the whole issue of a cervical screening program and so on, so in the whole issue of cancer we have continued to make significant improvements in terms of both early diagnosis so that it can be treated at the earliest possible opportunity but then also being sure that the care and treatments are in place if people have to be dealt with as a result of obtaining cancer.

Crime Rate Reduction/Prevention Initiatives

Mr. Gord Mackintosh (St. Johns): To the Minister of Justice. Leading up to and during the last provincial election, the Conservatives made a lot of promises of provincial action on crime, but I do not know whatever happened to about two-thirds or 23 of these promises. I do not know where to start, Madam Speaker, but

whatever happened to the Youth Advisory Council on youth crime or a Winnipeg Youth Crime Intervention Team, johns of child prostitutes undergo child abuser treatment, publication of names of johns of child prostitutes, Crime Prevention Council? I knew there was one of those in Ottawa but not here. How about an auto theft work program for young offenders? That would have been interesting. Whatever happened to these promises, and why should anyone believe them again?

Hon. Vic Toews (Minister of Justice and Attorney General): Well, Madam Speaker, the member puts a number of questions to me, and I will answer the first. He deals with the issue of the Provincial Council on Youth Crime. In fact, we have that council and that council—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please.

Mr. Toews: I have had a number of meetings with the Provincial Council on Youth Crime that have provided me with opinions and recommendations in respect of a number of matters. Just recently, we had met, and they provided me with their input on a specific project.

Cervical Cancer Screening Program Implementation

Ms. Diane McGifford (Osborne): Madam Speaker, successive ministers of Health have promised in '94, '95, '96, '97 and '98 to institute a central cervical cancer registry. We dealt with this the other day but got no answers.

So I would like to ask the minister today if he would give us the specifics on the opening of this program, or is this registry one more broken Tory promise? Why should Manitoba women trust this government?

Hon. Eric Stefanson (Minister of Health): Well, Madam Speaker, I just referred to this in response to an earlier question, that this is an initiative that we have been working on with a number of organizations, the whole introduction of a cervical cancer screening program. I expect

to be coming forward shortly with further details on that very important program. I merely point to other examples where we have taken very positive steps to deal with screening programs relative to Manitobans, certainly in the case of Manitoba women, when it comes to the tripling of the whole issue of the numbers of mammograms being done now, I believe some 33,000 right across Manitoba, putting in place mobile breast cancer screening units right across Manitoba.

So, again, these are very serious issues that we are addressing, and this is an issue that we are addressing.

Physician Resources Recruitment/Retention Strategy

Mr. Steve Ashton (Thompson): Madam Speaker, there is a group called the Promise Keepers. We are seeing now that there is a new group that should be called the promise breakers, and it is the PC Party.

I want to ask the Minister of Health: when are we going to see the comprehensive strategy on physician recruitment that was promised as recently as a year ago, when in fact we have seen 1,802 physicians leave the province? In fact, more than two-thirds of our medical graduates currently leave the province. When are we going to see some action, rather than these rethermalized promises from this government on the physician shortage in this province?

Hon. Eric Stefanson (Minister of Health): Well, Madam Speaker, for the benefit of the member for Thompson, the issue of the number of physicians in Manitoba has basically remained stable over the course of the last several years at roughly about 2,020, 2,030. So, again, there have been some physicians that have left the province; there have been some physicians that have come into the province. As an example, last year there were 113 new registrants in the province of Manitoba. Again, that is an issue that is being addressed right across our province. Over the last 12 months, some 45 physicians have been recruited to rural areas throughout Manitoba to meet those very important needs.

So, again, we have been very aggressive in providing the needs, in terms of providing appropriate levels of physicians right across Manitoba.

* (1410)

**Regional Health Authorities
Election of Board Members**

Mr. Stan Struthers (Dauphin): Madam Speaker, my question is for the Minister of Health.

When this government introduced legislation providing for regional health authorities, it promised to make health care more accountable. Instead, I hear from municipalities, hospitals, advisory committees and RHAs themselves that this government is simply using the regional health authorities to implement its health cuts.

When will this government provide for the election of a majority of board members to our regional health authorities to make them accountable?

Hon. Eric Stefanson (Minister of Health): Madam Speaker, I am not sure whether the member for Dauphin supports regionalization or does not support regionalization. We certainly support regionalization for the very important reasons of making the best use of our facilities, the best use of our equipment and the best use of our people throughout the regions in the province of Manitoba. That is something that makes sense, and that is something that we believe in.

Again, when you come to the issue of whether or not boards should be appointed or elected, usually elected boards have a direct relationship to revenue and fundraising abilities. In this particular case, all of the revenues for regional health authorities, and in effect the other facilities that are funded, come from provincial taxpayers through the provincial government. So, if you are going to have an elected board, there is usually a relationship to their ability to be held accountable for raising money and so on. That is not the case right now with regional health authorities.

**Swan River Hospital
Capital Project**

Ms. Rosann Wowchuk (Swan River): Madam Speaker, in 1992, this government promised major renovations to the Swan River hospital. However, after the last provincial election, the promise disappeared and the pictures disappeared off the walls.

But now we are in need of a new facility, and all we have promised from this government is a feasibility study for this year but no commitment to maintain services or enhance services, no commitment to the residents that they will not have to pay the 20 percent fee to have the facility built.

How can the people of the Swan River constituency trust this government to protect and enhance our services when so many of their other promises have been broken?

Hon. Eric Stefanson (Minister of Health): This is a repeat question from the member for Swan River. I indicated to her that this budget includes approximately \$500,000 to do the appropriate review and design of the kind of facility that is required for Swan River and for the Swan River surrounding area.

I should also point out to the member—and I will certainly provide her with the details of work that has been done on the Swan River hospital over the years, various maintenance projects and so on, and there was not a case where any project was brought to the attention of health authorities or our provincial government that was not acted upon. Repairs have been done over the course of time.

Mould is something that went undetected, unfortunately. We are now faced with this situation where we either have to replace that facility or do a major renovation. As I said the other day, it is looking more and more like it will be a replacement of that facility. We have money in place to start that process, to start the design, and whatever it takes, whichever it ends up being, renovation or replacement, we are committed to do that.

Recycling Programs Government Initiatives

Mr. Gregory Dewar (Selkirk): Madam Speaker, my question is to the Minister of Environment.

Madam Speaker, in 1994 when the government announced its Products Stewardship Program, it promised that the money raised by the 2-cent levy would be put directly into recycling initiatives and that the program would offer all Manitobans the opportunity to participate in recycling.

Now, Madam Speaker, my question to the minister: can the minister then explain, five years into the program, how can she justify sitting on a \$7-million slush fund collected by this corporation when 90,000 apartment dwellers in Manitoba have yet to see a recycling program?

Hon. Linda McIntosh (Minister of Environment): I thank my honourable friend for his question. I indicate that we have had a very, very good response to that particular program and project, as I believe he knows and understands.

In terms of multifamily dwelling units in the city of Winnipeg, for example, there is still work to do there. They are still working to bring those dwellers on side. That involves co-operation with a lot of entities. But I thank him for the question and appreciate his interest in the topic.

Post-Secondary Education Tuition Fee Policy

Ms. Jean Friesen (Wolseley): Madam Speaker, since 1995 you could confidently predict that there would be an annual promise from this government to have a fee policy for post-secondary education students. Unfortunately, you could equally predict that they would not do anything about it. Year after year the fees have risen, in some cases by more than a hundred percent.

I would like to ask the Minister of Education whether he intends to repeat that promise this

year and whether he could give us any grounds for believing that there is any intent to honour it.

Hon. James McCrae (Minister of Education and Training): The best hope for a bright future for the students of Manitoba today is—

An Honourable Member: Vote NDP.

Mr. McCrae: It is not that simple, as the honourable member well knows.

The best hope is quality education, and funding for education has been the consistent No. 2 priority for the Manitoba government, which is a reflection, I think, of the priorities of Manitobans generally. I am a little puzzled by the question put by the honourable member. Last time I was addressing this question, I made a reference to the honourable member for Radisson (Ms. Cerilli) and her musings respecting the whole matter of tuition, and I did not get to finish the answer that day. After a lot of lack of clarity from the honourable member for Radisson, the article that I read from says as follows: a spokesman for NDP Leader Gary Doer said later that freezing tuition is a goal but the New Democrats have not yet established it as a policy.

So, I guess, while we are talking about goals and policies, it would be very nice to know the position of the honourable members opposite. Meanwhile, we are putting students first and providing programs so that education for them is accessible.

SmartHealth Cost Savings

Mr. Jim Maloway (Elmwood): My question is to the Minister of Health. This government continues to spend money without getting promised savings. In fact, the government has contracted to spend \$100 million on SmartHealth to save \$200 million.

I would like to ask the minister: would the minister outline how much of the \$200-million savings have been realized as a result of the SmartHealth program?

Hon. Eric Stefanson (Minister of Health): I certainly look forward to getting into the detailed Estimates process with the members opposite in the next few weeks. But I think if the member looks at that entire issue, he will realize that the whole concept of introducing technology into the health care system is you make the investment, and then you extract the savings over a period of time as you have less duplication in the system.

Again, I know members opposite have difficulty comprehending or accepting that unfortunately there still is overlapping duplication, where we might have a patient outside of Winnipeg get a certain test done, whether it be an X-ray, that test is then duplicated here in Winnipeg. The whole objective of the SmartHealth initiative is to eliminate that overlap in duplication, to introduce technology into the health care system and to pay for that technology through future savings as a result of the introduction of the SmartHealth initiative.

Madam Speaker, it is a five-year initiative that is still underway, and I am certainly prepared to get more details for the member opposite.

* (1420)

Community Colleges Space Availability

Ms. MaryAnn Mihychuk (St. James): In 1995, this government promised to implement the recommendation of the Roblin report to double the number of spaces in our community colleges in Manitoba. They broke that promise, like many others, which resulted in a skill shortage in Manitoba and our young people leaving Manitoba to find opportunities elsewhere.

Why did you break your promise?

Hon. James McCrae (Minister of Education and Training): The fact that Manitoba has the lowest unemployment rate in the country is not an accident. It is not something that was planned for, but what was planned for was to provide opportunities for those thousands of

unemployed people who were getting six-week jobs out of the NDP at a time when they had an opportunity to do something. They provided short-term, make-work projects, and we are still paying for those jobs that ended a long, long time ago.

The honourable member also is aware that the colleges are poised and they have been working very hard. This particular budget year they have a \$4-million growth fund. They are very enthusiastically moving towards developing the programs that are needed to put the people to work at their studies so that they can go to work in the jobs that this economy, under the Filmon administration, has generated.

Forest Fires Firefighting Resources/Equipment

Mr. Eric Robinson (Rupert's Land): I would like to go back to the ministerial statement made earlier today by the Minister of Natural Resources. A situation facing several thousand Manitobans in the Island Lake region and near Lake Winnipeg right now is of concern to everyone today. There are more than 600 people from the Manigotagan, Hollow Water, Seymourville area that have been evacuated, along with 57, as I pointed out earlier, from St. Theresa Point. Simply, my question to the Minister of Natural Resources is: do we have enough equipment and also workers to contain these very serious fires?

Hon. Glen Cummings (Minister of Natural Resources): Madam Speaker, given the magnitude and the enormity of the weather conditions and the fire outbreaks that we had yesterday, I think one has to be realistic in the observation that we are doing and will continue to do everything possible and provide necessary resources to man up as quickly and in as well-equipped manner as possible, but we do need co-operation from the weather.

Seventy-kilometre winds when you have a fire that can run 40 kilometres in a day really leads to near impossible conditions. I am sure that the member is referring to issues that have been raised about whether or not equipment is getting to the communities quickly enough, and it is certainly our intention to make sure that

available, necessary equipment gets to them. I have just been informed since Question Period began that, in fact, we have doubled up the crews on the water bombers to extend their hours of operation safely.

Evacuations

Mr. Eric Robinson (Rupert's Land): It is appreciated that the minister is keeping us up to date on the current fire situation, Madam Speaker, and I wonder if he has any advance information on whether or not other communities may face evacuation.

Hon. Glen Cummings (Minister of Natural Resources): Madam Speaker, nothing of intelligence that I could add to that question except to be very aware, as I know the member is, that this is an hour-by-hour situation. When high winds are involved, with absolutely high combustible materials in the field, we need a break in the weather, and frankly we need to have every community in the area to be most mindful of their situation and be prepared to evacuate if in fact a fire begins to threaten them. As I said in my statement, one of the biggest concerns that we have had is that the vast majority of these fires are as a result of human activity. Secondly, if we get thunderstorms and we do not get a significant rainfall, it can in fact exacerbate the situation and start more fires. So I think we all have to be mindful of the situation, and our prayers are with the people in the community given the threat that they are under.

Madam Speaker: Time for Oral Questions has expired.

MEMBERS' STATEMENTS

Renaissance Capital Manitoba Ventures Fund

Mr. Gerry McAlpine (Sturgeon Creek): Madam Speaker, I am pleased to have the opportunity to rise today and speak for a few moments about how this government continues to support businesses in Manitoba. Recently the Minister of Industry, Trade and Tourism announced our government will contribute \$3 million to a new venture capital fund. This

money will be available to Manitoba businesses for start-up and expansion costs.

The Renaissance Capital Manitoba Ventures Fund will give assistance to small and medium businesses and will focus on helping them succeed in the knowledge-based economy. Support will be given to companies operating in information technology, communications, value-added agriculture and health care. All of these areas offer opportunities for growth, investment and job creation. This is a further indication of how this government is creating an optimum climate for economic growth and expansion. We are committed to helping businesses develop and seize new opportunities. Manitoba is a world leader in knowledge-based jobs, and we are committed to staying on this path to success. This province is a national leader in job creation and economic growth, and we will continue to show leadership in this area. This government is truly making Manitoba the best place to live, work and raise a family. Thank you, Madam Speaker.

Brave New Words Awards

Ms. Diane McGifford (Osborne): Madam Speaker, on April 24, 1999, writers, publishers and friends of the literary arts community celebrated the 11th annual Manitoba writing and publishing awards, Brave New Words. I was in attendance and noted that a number of awards are supported by private enterprise and memorial trusts. As well, at this year's ceremony, Councillor Jenny Gerbasi announced that the City of Winnipeg would next year institute the annual Carol Shields literary award, yet the Province of Manitoba has not, to date, followed the examples of the mayor or of McNally Robinson Booksellers who offer two of the Brave New Words literary awards.

At this year's ceremony, the recipients told us that the awards were vital to their literary lives. Tomson Highway described Manitoba's growing international literary reputation. The NDP believes in nurturing our artists and fostering our provincial reputation. Today, then, it is with great pleasure that I announce that an NDP government would plan to institute three annual literary awards: one for book of the year in French and in English, one for publisher of

the year, and one for the year's most outstanding periodical. Although details are not yet delineated, we would like to present our awards at the annual Brave New Words ceremony.

New Democrats honour the principles of participation and community, and to reflect our principles we would invite the Manitoba publishing and awards committee to assist us in finalizing the specifics of the awards.

Apprenticeship Legislation

Mr. Peter Dyck (Pembina): Madam Speaker, new legislation designed to revitalize Manitoba's apprenticeship system, support job opportunities for Manitobans and build a skilled workforce for economic growth was proclaimed on Saturday. By strengthening and approving Manitoba's apprenticeship system with this legislation, we are helping Manitobans connect with rewarding careers and preparing the province to meet the future demands of the businesses. Our system will be more responsive to the needs of our key stakeholders, industry sectors, apprentices, employers and tradespersons.

The new Apprenticeship and Trades Qualifications Act strengthens the system by increasing the involvement of industry, stakeholders, employers and employees, and making the regulatory process more efficient. The act recognizes apprenticeship status as an equally important post-secondary educational system and sets out the legal framework for the apprenticeship partnership between industry and government.

Apprenticeships provide Manitobans with nationally recognized certification in an expanding array of increasingly technical trades. Currently there are more than 3,500 apprentices enrolled in 51 designated trades in Manitoba. Well-trained tradespeople are the backbone of our economy and are crucial to Manitoba's success.

Last Friday I had the pleasure of attending a ceremony recognizing the achievements of the top 30 apprentices in Manitoba. They are in diverse fields ranging from aircraft maintenance to cabinet making to welding to commercial cooking. The level of ability and dedication

exhibited by these award winners is a testament to the excellence of Manitoba's Apprenticeship Program. In fact, construction electrician Ryan Bell of Border View Electric Limited in Winkler was one of the apprentices recognized.

I am pleased our Apprenticeship Program is evolving. This broader revitalization initiative supports youth and aboriginal participation, flexible training delivery, and the development of new trades for apprenticeship and doubling the size of Manitoba's apprenticeship system. The entire Manitoba economy will benefit from the success of the Apprenticeship Program. Thank you.

Kosovar Refugees

Mr. Steve Ashton (Thompson): Madam Speaker, this past weekend was a very significant day for the Hoti family in Thompson as they welcomed relatives fleeing the war in Yugoslavia. They are a Kosovar-Albanian family who has been welcomed to our community with support from every cross-section of our community.

As I travelled on the plane with Mrs. Hoti, seeing the relief in her eyes to see her family reunited, I was reminded of my own experience in what was then Yugoslavia a number of years ago when I in fact met my wife, who is also from a country in the Balkans. I was reminded of the fact that in our own small community of Thompson we have so many people who continue to not be able to sleep at night because of the situation that exists currently in Yugoslavia and in the former Yugoslavia: the Bosnian-Serb refugee who is in my daughter's class in high school who still cannot sleep at night; the caretaker at her school who is Kosovar Albanian who cannot sleep at night because of the conflict; the Bosnian-Muslim family from Sarajevo who for many years suffered wondering if their family would survive the dreadful war in Bosnia; the Serb who cannot sleep at night because of worrying about the bombing that is taking place in Belgrade where he has family, including two sons.

Madam Speaker, as I saw the joy in the face of the Hoti family, and as I know I have seen the anguish in the eyes of everyone of the former

Yugoslavia and the continuing anguish at the conflict that exists there, I want to speak today to urge people of good will to come together and find a peaceful, diplomatic solution. I look forward to the day when they will again be able to live side by side in peace.

Madam Speaker, I want to urge everyone to give peace a chance.

Emergency Preparedness Week

Mr. Ben Sveinson (La Verendrye): Madam Speaker, I would like to take a moment to remind Manitobans about the importance of being prepared for an emergency. Be prepared, not scared is this year's theme for National Emergency Preparedness Week, which is being observed May 3 to 9. Emergency Preparedness Week is held annually across the country to raise public awareness of the importance of planning for emergencies. The theme is a reminder to everyone that emergency preparedness starts at the individual level.

All levels of government have a role to play in the area of emergency preparedness and response. For example, Madam Speaker, the Manitoba Emergency Management Organization works closely with municipalities to ensure emergency plans are in place and kept current and that the municipal responders are trained to deal with any emergency situation. But ultimately emergency preparedness starts with the individual, and by planning ahead people will know what to do before, during and after a disaster strikes.

* (1430)

Manitobans know all too well the devastating effects of flooding and forest fires. This past spring parts of the province were affected by flooding, and in recent days forest fires have forced the evacuation of hundreds of Manitobans from their homes. The summer months also bring with them the risks associated with hailstorms, tornadoes and even leisure activities such as swimming and boating.

People need to be aware of what to do during these natural emergencies and during human-caused situations to ensure their own

safety. Emergency preparedness starts with individuals. Knowing the risks in their community is a first step to being prepared. Manitobans should endeavour to learn about and prepare for natural disasters, service disruptions and technological or environmental accidents that could impact the community. By identifying potential risks, planning ahead and being prepared, we can all reduce the fear and ensure that we can recover more quickly from a disaster or emergency situation. Thank you, Madam Speaker.

ORDERS OF THE DAY

BUDGET DEBATE (Third Day of Debate)

Madam Speaker: To resume adjourned debate on the proposed motion of the honourable Minister of Finance (Mr. Gilleshammer), standing in the name of the honourable Leader of the official opposition.

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, on Friday I began my comments very consistently with the questions we were raising in the Chamber today. That is basically, as the lady at the soccer field said to me last week, that we are not going to believe this same Tory movie a second time. We are not going to be fooled by the people who fooled us once before on their promises on restoring health care services and not cutting them.

Madam Speaker, the government, like all governments, has strengths and weaknesses, and budgets that are presented, like all budgets, have strengths and weaknesses, but the ability to keep your word, the ability to deliver on what you promised in a budget is crucial for the credibility of any government. You spend your credibility or you gain your credibility not by what you say, not by what you promise, but by what you deliver on. This group opposite has failed over and over and over again to deliver on the promises that they made in 1995.

Mr. Ben Sveinson, Acting Speaker, in the Chair

Now, it is interesting that members opposite now are claiming that this is a—they are out there, the government House leader (Mr.

Praznik), who provided such excellent leadership on the boundaries, asking for leave on the boundaries, the chief strategist, the man who did such a wonderful job for the Conservatives, is running around saying: this is such a difficult decision for the members opposite, licking his lips and rubbing his hands and all these other silly little immature moves that he is known for.

We know on this side that the budget is not— [interjection] Well, the Premier (Mr. Filmon), maybe he will answer one of the questions about his broken promises. Maybe the Premier would like to stand up because the members opposite may not remember this, but during the 1995 election campaign there was an ad, the Premier and Mrs. Filmon walking along the pathway, and a lot of people remember that ad. [interjection] Yes, he wants to heckle now from his seat, but there was an ad walking along the riverbank after they campaigned on saving the Jets. There was an ad with the Premier saying: if we are elected, we will protect health care. We will not cut back health care. That is why members opposite have such a huge credibility problem.

On the most important issue in 1995, the Premier misled the people through Tory ads, because what happened after? We do not even know what is in the hidden agenda of the Conservative Party after this next election campaign. Let us remind people of what they did not campaign on. They did not campaign on cutting \$40 million out of the operating budgets of hospitals. They did not campaign on cancelling the \$600 million in capital commitments they had made. They did not campaign on privatizing home care all across Manitoba. They did not campaign on bringing in this rotten, frozen food and having extra costs for war veterans to eat that food. Why does not any member of this caucus—

An Honourable Member: I eat frozen food every day.

Mr. Doer: I hope the member for Emerson (Mr. Penner) does not double blanch his vegetables before he eats them, because that is what they are requiring the people of the Deer Lodge hospital to do. Did he campaign on cutting back dramatically Pharmacare and introducing a tax on the sick and the elderly in Manitoba? Did he

campaign on cutting back the numbers of people working on diagnostic tests? This Premier is going to be man of the year in Grafton, North Dakota, because of the people who unfortunately have to go to that community.

So when we talk about this budget and we talk about the '95 budget, the '95 budget that the Tories voted for did not mean a darn thing for people. It did not mean anything because the '95 Tory budget contained the '95 health care promises. It did not contain the broken promises that came week after week, month after month after the budget was presented, so that when they go around telling people: oh, all these things are contained within our budget, they were contained within their budget in 1995. It did not mean a thing. The budget did not mean a thing because the government went and broke every promise in health care in that budget. That is why the only way this government can deal with its credibility is call an election and let the people decide rather than the self-serving comments of members opposite.

The Premier (Mr. Filmon) mentioned the Fiscal Stabilization Fund in answer to one of our questions on Friday. We have always said, and we have said consistently, that the Fiscal Stabilization Fund should be used when it is raining in health care. It should be used when it is dealing with the massive cuts from the federal Liberal government. The government said that it did not have to make cuts after the '95 federal budget, but we thought that the stabilization fund should be used.

The issue of the stabilization fund, again, is not whether it is a good or bad idea. We voted for it in '89, another mistruth of the Premier (Mr. Filmon) on Friday morning. I do not know whether this Premier could ever tell the truth anymore. He knows we voted for the Fiscal Stabilization in '89. Why would he just stand up here and deliberately mislead the House again? Why would he just blatantly try to fool the people through mistruths again? I guess he is so desperate that he feels that the only thing he could run on is false statements. The voting record is on the record. Of course, the Premier has apologized so many times now, he has doubled Jimmy Swaggart in his apologies, and I guess he does not have anything more left.

The real issue of the Fiscal Stabilization Fund is the honesty of the government. This is what the Minister of Finance said in '95, '96, '97. He said that this is a fund which is a minimum. We are committed—this is the exact quote—committed to maintaining at least 5 percent of its total budget in the Fiscal Stabilization Fund.

Mr. Acting Speaker, this does not say: this is a target. It does not say it is a target. He has said over and over and over again when questioned by us—why do you not use the money in the rainy day fund instead of firing nurses?—I cannot do it; we are committed to 5 percent. So, the issue is the honesty of the government.

They do not have any credibility, even on matters that they should have credibility on because the Stabilization Fund could be used in a positive way. The statements from this government over and over and over again are: We are committed to maintaining at least 5 percent. They also use the words minimum 5 percent, and those are in budgets; those are in interviews. We can bring them out. So again they misled Manitobans.

Mr. Marcel Laurendeau, Deputy Speaker, in the Chair

The only difference between now and two years ago is an election campaign, so this Fiscal Stabilization Fund has gone from a good idea to be used for the priorities of Manitobans to a pre-election slush fund, Mr. Deputy Speaker, to be used only for the priorities of the Conservative Party. People in Manitoba do not want an election slush fund. They want a rainy day fund to deal with the leaks in the roof, plug them up and it has been leaking and raining in health care for the last three years, and again that is why they will not believe members opposite on this issue.

* (1440)

The government has made statements about the balanced budget legislation. Well, you know, Mr. Deputy Speaker, we did vote against the balanced budget legislation, and we pointed out that and we moved one amendment to the balanced budget legislation, and you know it

was quite regrettably fortuitous that we made that amendment. We moved one amendment to prohibit the government from selling a Crown corporation away and taking the assets from the Crown corporation and moving it into the Stabilization Fund as an operating revenue and then using it for the operating priorities of the government. We said that this would be an incentive for a government to sell a Crown corporation to save their own salaries under the balanced budget legislation, that they would sell a company low for it to meet the provisions of this legislation, and I would think, both on the left and the right, that our amendment made sense. The right believes that you should not use a capital asset as an operating revenue. Any accountant will tell you that. And the left would believe that there should be no incentives in a law, which we believe, to allow for a person or government to sell off a public asset at a wholesale, fire-sale price in order to meet the short-term requirements under this legislation.

So we moved that amendment and, lo and behold, a year later, members opposite did exactly what we predicted they would do. They sold the Telephones at a fire sale. As one farmer said to me, they stole that company from me without my permission, Mr. Deputy Speaker, and they in fact took the asset—they sold it on the basis of debt and then, because of course the company was not in debt because the asset was worth more than the debt, they took the remaining assets in the form of a fund and moved it over to the Fiscal Stabilization Fund and showed that as an operating revenue.

Mr. Deputy Speaker, they then flushed that money through the Fiscal Stabilization Fund, through the debt repayment plan. So the only debt repayment that has been made under the fiscal stabilization law has been a broken promise on the telephone system, a fire sale on that telephone system that, as the member for Thompson (Mr. Ashton) has said, has been flushed through the operating revenues in the Fiscal Stabilization Fund and shown as part of the debt repayment plan.

It is very, very manipulative and deceitful, but the fundamental principle that we stood for is very, very fundamental today, Mr. Deputy

Speaker, because there is no question that the same incentives remain in the balanced budget legislation to sell off Hydro and put it in an operating revenue line under the balanced budget legislation and then have that there to manipulate, to deal with future considerations in the provincial budget area.

That is why we are committed to our amendment. We are committed to our amendment to prohibit the sale of Hydro and the assets of Hydro going into the Fiscal Stabilization Fund under the balanced budget legislation. Some of the good provisions of the balanced budget legislation and some of the restrictive provisions of the balanced budget legislation cannot be overridden by a provision that allows the government to sell off, not the silverware, but sell off the house to pay off the credit cards. You do not sell your house to pay for your credit cards. You sell your house and deal with the mortgage. You do not sell a house if you are only going to get 60 percent of what it is worth. You continue to live in it and enjoy the house. That is, again, why people do not trust this Premier opposite, because he misled the people again on Telephones, and now we have the same line on Hydro.

Here he is buying a gas company at a much higher cost than he criticized in 1987, Mr. Deputy Speaker. We had that asset for \$180 million, and after we got a 30 percent rate reduction we made a difficult decision. These people are spending over \$500 million with no public scrutiny in this Legislature, with no accountability in this Legislature, and we know that the only reason they are buying this gas company is to fatten up the golden calf, so they will sell Hydro after the next election campaign. The only thing between the people of Manitoba keeping their hydro corporation, owned for their own benefit, and selling it off is the NDP.

My greatest respect to the Liberals, some of these tough decisions, you know—I think their strongest statement in the telephone debate was they did not like the way it was being done. One member voted for it, one member voted against it and one member abstained.

Well, you know, Mr. Deputy Speaker, we know that the members opposite, the Liberals, of

course, they promised to enhance CN in the 1993 election campaign. [interjection] Yes, well, it speaks to the principle, the best predictor of future behaviour is past behaviour. [interjection] Well, we do not know what the provincial caucus's position was.

I would point out to the member for The Maples (Mr. Kowalski) who has pointed this out to me in the past, there is a lot of Wellington Crescent Liberals in that party, and, you know, they may have a different view obviously than the member for The Maples when it comes to public assets and the ownership of public assets. That is why the Liberals have such a complicated position. They are not opposed to the sale; they are just opposed to the way it was done.

Well, you know what? We are opposed to the way it was done, and we were opposed to the sale of MTS. We were opposed to the sale of CN. [interjection] Well, that is right. Well, I have often thought, you know, be free at last. Join a party that stands up for the north end; do not join a party that walks away from the north end. That is what we have always—[interjection] You still have a week.

Of course, when we look at Hydro, this government refused to bring in a referendum amendment that we made, the similar position they took on Telephones, Mr. Deputy Speaker. So we can have a referendum on selective taxes, but we cannot have a referendum on property taxes, or we cannot have a referendum on a sale of something that is almost irreversible, in our view, once it is done, especially the way the Premier gave it away according to the CRTC at "discount rate."

So here we have a situation where Tories now—and it is a good thing many of them inherited their companies, because they have sold low and bought high. That is what they have done. You might be able to do that if you have money that you inherit or you marry into or everything else, but you cannot do that in the real world, Mr. Deputy Speaker. It just does not work.

The other matter in the Fiscal Stabilization Fund and the balanced budget legislation that the

government must deal with is the issue of: are they really running a debt? Norm Cameron said on air—and we are still doing some of the number crunching on this budget, because, like any Tory budget, it has invisible ink all over it—

An Honourable Member: Disappearing ink.

Mr. Doer: With disappearing ink with disappearing promises. Norm Cameron says there is really an \$80-million debt in this budget. He is an independent economist. He is not a person whose politics I would know. It is kind of interesting that independent economists—even Conrad Black's newspaper were making some comments about this budget.

Madam Speaker in the Chair

It is hard to tell, though, whether this budget is sustainable, because this government has had a record of understating the revenues for years because of bracket creep and gambling revenues, of all kinds of other things, and there is maybe a play within the play in this budget. As I say, only an independent audit will really produce the real numbers. There is an argument about sustainability, there is an argument about more revenue than is being stated, and we are still working on some of those numbers ourselves.

Madam Speaker, we do not believe that any government is required, under present circumstances, to have to run a debt. With bracket creep and income tax, even with a very modest income tax reduction, we know, since the changes of the Mulroney government, the bequeath to many provinces, that taxes go up for average families and families every year, and they go up because of bracket creep.

* (1450)

Madam Speaker, We also know that this government has received a considerable amount of revenue from gambling. It has gone from \$40 million to well over \$240 million. There is more money coming in from gambling now than all the corporate income tax in the province. We know that, of course, even Nevada has no debt and no taxes with the gambling revenue that comes in in that state.

I think what people are concerned about is that all this gambling money and tax revenue was hoarded in the Fiscal Stabilization Fund for three years while it was raining in health care, and it does not make any sense at all for the people of Manitoba in terms of their priorities to have a situation where funds go to a slush fund and then are not used for the priorities until the election year. That is, again, why this government does not have any credibility.

When we go to education and training, we see a similar pattern, as the member for Wolseley (Ms. Friesen) mentioned today in Question Period. Her analysis of this budget is very simple, Madam Speaker, that this government will put in a considerable amount of resources before an election and take considerable resources out of education after the election campaign. We can see a similar pattern here.

Do not forget, again, the Premier (Mr. Filmon) promised to put 80 percent of property taxes—80 percent of education funding would be financed by the provincial government. He made that promise in the 1990 election. He broke it in 1990. He broke it again in '91. He broke it again in '92. He clawed back property tax credits in Riel and St. Vital and other communities in '93. He cut back the education finances: -2 in '93; -2 in '94; zero in an election year; -2 in 1996.

There is a pattern here, and members opposite do not think the public realizes there is a pattern. The pattern is: promise one thing in the election, break your promise after the election, and seriously break your promise in the first couple of years after an election, and then put a little bit of money in a pre-election budget and get members opposite just to respond to the pre-election budget and say that we are spending more on education in the pre-election budget. Well, you have four years of cuts and one year of freeze. Then you have four years of cuts and one year of a slightly enhanced level of funding. The bottom line is that there is less money going into the classroom in 1999 than there was in 1992.

Whose source of information is this? This is our source of information, yes, but it is in the

government's own FRAME documents. The government's own annual reports in education have a line, provincial money into the classroom, and it has gone down. It has gone down from 732 to 709. It will go up slightly this year, but the FRAME document that will be released after the election campaign will show that there is still less money in '99.

But the other side of that equation is that taxes have gone up in property tax. The property taxes have gone from \$200 million to \$400 million since this government has been in office. That is the equivalent of 7.7 points in income tax. When you combine that with the property tax credit clawback of members opposite, it is equivalent of 10 points in income tax. Now, they do not want to go out and campaign on a 10-point income tax cut; they want to go back and campaign on the modest reductions contained within this budget. We, in one sense, are pleased that the tax reductions are modest because we did not want to see a bidding war on a Mike Harris kind of budget, but clearly this government has increased taxes dramatically at the property tax level.

What are they going to do about it? They are going to exclude it from the discussion in the so-called tax commission. We would like to take the tax commission idea and change the terms of reference. We would like to change the terms of reference to a fair tax commission and put property taxes and property tax credits before that commission so that people can speak out about the provincial government's role on property taxes directly in education and indirectly through property tax credits. Our alternative to this government is to have this matter of income taxes and income tax questions, as well as property taxes, before a public consultation process, unlike members opposite.

There is some money now for community colleges. This is a government that cut 10 percent community college budgets. This is a government that has the lowest enrolment in Canada on a per-capita basis between the ages of 18 and 25. So why had this government committed themselves to Roblin before the last election and not fulfilled Roblin since the last election? I would remind members opposite that

Roblin promised to double the community college spaces in the next five years. That was made in 1993. It is 1999. You have broken another promise. Do these promises not mean anything? Do members of your caucus not sit down and say: this is what we said in the '95 election, and I do not want to go back to the streets of Riel or St. Vital or Rossmere or Gimli or Sturgeon Creek or Turtle Mountain or Seine River without fulfilling these promises?

Madam Speaker, I remember that Ed Schreyer in 1973 took the '69 platform and said: Autopac, check; medicare premiums, check; hospitalization, check; property tax credits, check; human rights code, check. Did it. [interjection]

Well, the member for Niakwa (Mr. Reimer), you know, we are still waiting for a housing policy from him. He would not know an urban vision if he tripped over it, but I do not blame him because the Premier is responsible for the lack of urban vision in their party. I do not blame the member for Niakwa. The Premier would rather fight Susan Thompson, and fight Glen Murray, and give BFI a great big break and shaft the people of Winnipeg. That is why we have an ineffective urban strategy here in Winnipeg.

Community colleges and apprenticeship programs have been cut. Just because you put a little bit back in this budget does not mean to say you have not cut 10 percent a few years ago. The people know that. The people do not judge governments only on the last budget they see. They judge governments, thank goodness, on their last four years. They give you a commitment.

An Honourable Member: That is precisely how they are going to judge us.

Mr. Doer: Well, I hope so. That is exactly how we want them to judge you. Broken promises in health care, broken promises in education, broken promises on decent hope for our kids, and broken promises about how you handled the election scandal, but this member would not care because he goes out on holidays with these people that subverted the democratic process in the last election campaign.

The other issue here is universities. I was in a school in Brandon about six months ago, and Grade 11 students were saying to me: you know, everybody tells us we should study, we should pass, we should do well, and we agree with that. but we cannot afford to go to university anymore.

In fact, one of them was saying they were going to go to B.C. because they had frozen tuition fees. We have to find a way in this Legislature of making community colleges, making Access programs and New Career programs that these members cut, making universities affordable again for average families.

We are absolutely committed, if we are given the responsibility of forming government after this election is called, to rebuilding that bridge for kids in high school to post-secondary education. We want to feel that kids can go there, they can study hard. They can work hard in high school, and they have a chance to go to university. They are not going to be denied because they do not come from wealthy families. That is what we have to work on in the next four years. Kids in all families should feel they have a chance in universities. That is what we are committed to, if we get the responsibility of government, which I am sure we will after this next election campaign.

Madam Speaker, I have the briefing notes from this government on tax increases in 1992 and '93. When members opposite say we do not raise taxes, read our lips, we have to remind them that we have Gary Filmon's federal-provincial briefing notes in 1993 that says that baby food—these are the things they were going to tax. They were going to tax baby bottles, nipples, soothers, teethers, baby cups and cutlery. The exemptions are being removed.

Now I was down Broadway on Thursday afternoon and some of the people were saying: these people tax my hotdog on Broadway. They did, with the expansion of the sales tax. Of course, they are taxing chocolate bars for kids in schools now, too, with volunteer activity.

The amount of money that this government increased in taxation: the property tax credit,

\$75; the sales tax, \$160; the fuel tax, the equivalent was well over \$300 now in today's terms.

Now, listen to this—this is a government that does not tax—the cost was \$53 million for tax credits, \$48 million for sales tax, gasoline \$13 million: \$114 million. You are not even giving back what you took in 1993. To achieve this in other ways would require an income tax rate going from 52 to 57.7 or increasing the Manitoba sales tax rate from 7.7 to 8.4 percent.

So we have this briefing note when they are going to talk about their so-called record. People do not believe it anyway, but we have the facts to discount that.

* (1500)

Madam Speaker, we said we would not try to outbid the members opposite. We believe that health, education, training should come before a scorched-earth policy on tax reductions. I note that property tax was not even contained in the poll that the Tories released over the weekend that was commissioned in December of 1998. We think that property tax relief is fairer. Why not have an income tax reduction in July and have property tax credits reinstated in January of the year 2000 as kind of a balance between the proposals from the government? It would not cost any money.

We also said two years ago that we would support a small business tax reduction from 9 percent to 5 percent. I am glad it is in this budget, but we also adopted the recommendation from the Canadian Federation of Independent Business. Now, we do not adopt a lot of their recommendations, but they said get rid of those corporate grants and put that money into a reduction in the small business tax. Well, now that the government has done the small business tax and costed it in their budget, we still think there is room to take about \$10 million out of the Shamrays of this world and put that into dealing with child poverty.

If we were to reinstate the clawback in social assistance families with some of the money that we were going to use for the small

business tax, we would not have to change the small business tax proposals of the government, but we could take the corporate grants, the Shramray grants, and put that back to child poverty. We should be doing something about child poverty. Our party will, and we will reallocate resources out of this budget for the child poverty commitments we make—again, a fairer way to go in our communities.

The Winnipeg Stock Exchange was in the Speech from the Throne three years ago. It was a good idea then, it was a good idea last year, it was a good idea a year ago, and, of course, members opposite wait till an election year.

The film industry proposals, we started the film industry office in Manitoba. It has obviously been enhanced through activity in the last year. I was talking to film people over the weekend. Manitoba's costs are inherently lower, so we have real advantages to continue on.

The sales tax reduction for agricultural buildings, I think, has been brought in to Saskatchewan three years ago or two years ago, at least, and it is obviously something we would support. It is just part—[interjection] Well, you do not know what we are going to do. I would not get my wishful thinking up if I were you.

Madam Speaker, the agricultural proposals, the \$12 million is a lot less than what the government promised. As I understand it, the research and development has been reduced, as we can see it. There is no strong stand for orderly marketing. There is no strong stand for leadership, for stewardship on the hog expansion, in the hog industry development. Many of the programs, we see a discrepancy in the agricultural budget to the actual commitments made by this government. Where are they going to get the money that they have committed in the agricultural budget, or is this just another shell game from members opposite? When we have been faced with this government before, we have always found that the shell game is the first priority for this government.

There have been a couple of positive announcements for urban people, urban aboriginal people, and other aboriginal citizens, the Partners for Careers and \$1.6 million for

Northern Affairs communities, the South Indian Lake and adult literacy programs up a hundred thousand, but more is missing than is there. There is no strategy. There is no urban aboriginal strategy in terms of New Careers and access programs. There is no funding reinstatement to friendship centres. There is no strategy to deal with the high unemployment of aboriginal people in Winnipeg and in other communities that led to some of the public displays here in this Legislature a few weeks ago. There is no dealing with freight subsidies for fishers. There is nothing on the AJI. There is nothing on the Northern Economic Development Commission—oh, that was another broken promise—and there is nothing to deal with the food in remote communities.

There is nothing to deal with northern airports and, Madam Speaker, nothing to deal with the Cross Lake situation, the fact that they have won a couple of times at arbitration. Obviously, it is going to require an NDP government to rebuild partnerships for First Nations people and northern Manitobans to get things moving in this area. This budget is noticeable by its lack of leadership.

Last year, Madam Speaker, we proposed an alternative budget. We said that more money should be spent on health care. A year ago, we said that money should come from the rainy day fund and it should come from the surplus. We said that the surplus was closer to \$175 million dollars. We were right because the Auditor said so. The members opposite hid that money. So our alternative budget was very close to being right on, with more money for health, the growth of the economy and education, community colleges, Access, New Careers, the Gang Action Plan and a child poverty strategy that would make a difference for people.

We also said, reduce the small business tax. We said that the first priorities of tax reductions should be property taxes. Obviously, that is the difference between ourselves and members opposite. We would choose to make taxes and property taxes—we would reinstate the property tax credit clawback of members opposite starting with seniors, starting with homeowners. That would obviously be a matter that we would be willing to have before a public consultation

process in the fall of 1999, after the election campaign.

Madam Speaker, I have talked about the breach of promises from the members opposite. I have talked about the broken promises in education. I have talked about the lack of hope for our young people. I have talked about the lack of trust for Hydro. I have talked about a better balanced approach in terms of the Fiscal Stabilization Fund by prohibiting the sale of public assets to that fund, which obviously makes our position on the balanced budget the more honest position, if you will.

Madam Speaker, there is a pattern of history. The pattern of history is being repeated. This government will give us a moderate government for four months before an election campaign. It will give us a budget that we have been calling on for years just prior to the campaign. It is not the budget that we would have brought in, but a budget that dealt with health care to some degree.

Madam Speaker, what we believe the people of Manitoba need and want and will get after this next campaign is not a government that will meet their priorities for the four months before an election, but the government that is committed to meeting health care, educational, community safety, child poverty and Crown corporation priorities for four years between elections. We are committed to giving people the promises we make the years after an election campaign, not just four months before a campaign. That is why we are asking this government to have the courage of your convictions. Call an election and people will vote for a government that will provide balanced, fair government after the election campaign, not a government that comes forward with cynical pre-election promises that cannot be trusted four weeks before a budget for a campaign.

Hon. Harry Enns (Minister of Agriculture): It is always a privilege to address a budget, a budget being the most defining document that governments can bring to this Chamber from time to time. I take great pleasure in addressing this budget, and, of course, supporting it with a great deal of enthusiasm.

Madam Speaker, this budget follows on the heels of four successive balanced budgets. This budget has a specific goal in mind. That goal, in case it escapes honourable members opposite, is a cool \$500-plus million that we still currently pay out in debt servicing charges. That promise that we can hold out to the people of Manitoba, the taxpaying people of Manitoba, that we can get those additional revenues to the service of government and to the people of Manitoba without having to impose greater increase of taxation, is a worthwhile goal. That is a goal that keeps this government, this group of legislators feeling comfortable where we are heading. We feel more comfortable with every budget. This one, of course, is one that reinforces that all the more.

* (1510)

Madam Speaker, I want to begin by referring to an editorial in today's national newspaper, Canada's largest national newspaper, that really is quite remarkable. I read editorials from time to time, and I cannot recall reading an editorial that endorses a particular Premier and party and government for re-election in the manner and the way The Globe and Mail has re-endorsed Mr. Harris and his Conservative government in Ontario.

It says simply this: The election is for Mr. Harris to lose. More than 60 percent of Ontario voters believe his government is on the right track, and the latest opinion polls show the Conservatives with an 8-point lead over the prime opponents, the Liberals. The economy is buoyant, real personal incomes are rising, and much of the sturm und drang surrounding Mr. Harris's reforms to education, health care, taxes, and municipal government is fading away, despite efforts of various unions and interest groups to keep the discontent alive.

Mr. Harris has been a man of his word in keeping most of the promises he made in the common-sense revolution platform four years ago. More importantly, most of those promises were wise. By 1995, Ontario had grown grotesquely unbalanced in its economic and social policies under Liberal and New Democratic Party regimes. There was an

enormous amount of undoing and remaking and reforming to do.

In fact, Mr. Harris's Tories have been better than their word. Most surprising, they tackled the rotten borough of local school board taxation and union control of education—does that ringing a bell, Madam Speaker?—most bravely they faced up to the logic of closing many costly and underutilized hospitals—we did not have to do that in Manitoba, but we are reforming them—while increasing total spending on health care.

Most creatively, they united much of metropolitan Toronto under one government with a more rational set of responsibilities, supported by a more sensible system of property taxation. They created substantial new protected wilderness areas and parks. They chose to govern rather than to administer and, in substance, they governed well.

Madam Speaker, that is an endorsement that one seldom hears from editorial writers of any political group in this country. Do we not all have visions of the difficulties that Mr. Harris's government faced when first elected and throughout his four years? Do we not all recall the militant storming of the Ontario Legislature by the public service sector unions that even prevented MLAs from attending to their business? Do we not recall the ongoing vicious campaign of their teachers union as they attempted to block the reforms brought in by that government? It is that kind of endorsement and the recognition that likely this week Mr. Harris will call an election that will probably come to fall into place sometime before ours, that strikes fear in the hearts of members opposite.

Madam Speaker, in the last little while, the last few weeks, there has been a shrillness, a desperation in their attacks, a repetitiveness, not of new policies, but of dredging up old, in their mind, sins of this government, no serious alternatives to government, as they know in their hearts that what Mike Harris and his Conservatives are going to do for the people of Ontario, Mr. Filmon and this government is going to do for the people of Manitoba whenever that election is called. Most of those honourable members know it. Most of them deep down in their hearts know it.

Madam Speaker, I am so convinced of that that I wanted to be sure that I was part of that team, and I myself got myself renominated just last Wednesday because I want to see, you know, a coming together of the extremely challenging number of years that I have seen this government, the government that I have been very privileged to be part of, undertake.

Madam Speaker, have we not faced many of the same issues? This incessant noise about health and health food and something like that, we are not hearing that from the broad general public of Manitobans who utilize our health care system. We know who is driving it. I can make allowances. I know that unions are structured to protect jobs even though the rationale for those jobs sometimes no longer exists. The fact that we can do things better in some instances in a centralized form, in some instances in a decentralized form, as versus our regional health care systems throughout the system, but the simple fact of the matter that experience has shown us that just throwing more money into the system does not provide the outputs.

Deep down I know that the people of Manitoba, when they judge this government, that is what they will be making their decisions on. Not on so much of the peripheral nonsense that takes place for legitimate, alternative options for governments to consider, that should be the prerogative of Her Majesty's official opposition. That is the way this House is supposed to operate. They are supposed to provide us, constantly keep us on our toes with better ways of doing things, not merely opposing ways of doing things in ways that have eminently proven themselves successful.

Madam Speaker, before leaving that particular subject, because I do want to take this occasion to talk briefly about the matters that impact most directly on the portfolio in the Ministry of Agriculture, I do want to say one thing because it has burned in my mind over the many, many years. A lot of us, particularly some of the old-timers, I refer to the honourable member for Brandon East (Mr. L. Evans) and a few others, we have seen many staged demonstrations of protest by various interest groups coming to this legislative Chamber.

I can recall right at the early onset of the New Democratic Party regime of Ed Schreyer, when upwards to 9,000-10,000 displaced automobile insurance workers surrounded this building, because many of them were losing their livelihoods when the government of that day brought in the public automobile insurance corporation. Madam Speaker, as I recall that, it was probably the largest demonstration on record but reasonably orderly. They made their point, the government stuck to their point. The government prevailed, and 15, 20 years later, on that particular occasion, I and most of my—I think all of my members of my part of the government still suggest it could have been done a different way.

We could have chosen, and many of us at that time opted for that resolution, quite frankly, the Quebec resolution to that issue, insuring lives and injury, not steel and metal. That was an option that the government of the day chose. It was bitterly opposed, but it is a program that did indeed bring forth the desired results that the government thought it would when it introduced it.

We have had demonstrations of particular industries that were threatened. I can remember when that favourite company, or favourite government-owned company that the New Democrats took such pride in, McKenzie Seeds was talked about, possible privatization under Bob Banman, the then Minister of Industry and Trade for the Sterling Lyon government. No doubt, at the encouragement of the honourable member for Brandon East (Mr. L. Evans) and others, busloads descended onto the Legislature here to protect any intended action that that government may have taken with respect to McKenzie Seeds.

* (1520)

I have seen other demonstrations and indeed, regrettably, I have been the pivot point for some of those demonstrations. I can recall, when I was building a modest hacienda for ducks and geese at a place called Oak Hammock, Madam Speaker, you recall, one would have thought the sky was falling down. They even disrupted the committee rooms in protest to that action at the time when that bill

was in committee, but I have to acknowledge they at least did it in an innovative way. Some of them were dressed in rubber duck suits and things like that. They kind of livened up the committee and made it for an interesting hearing, but all within reason.

It is only three short years ago or four short years ago, I took no great pleasure in it, but I incensed, I "outraged," might have been a better word, many of the hog producers in the province of Manitoba. There were many of them that came to this Chamber, sat in the public gallery. There were many others at other private meetings throughout the province of Manitoba. I had to bear the brunt of their criticisms, but I am satisfied that reason prevailed and certainly in my will to carry on, the program that we embarked on was the correct one and is the correct one. Today, the pork producers, while not liking the kind of price collapse that they have had in the last four or five months, are looking with optimism to their future and the issue of the day has long since been set aside.

There is one particular demonstration that I will take with me until the day I leave politics, until the day I am not able to recall all those things that happened here. That, Madam Speaker, is when the Manitoba teachers' union invaded this building. It will be constantly burned in my memory as being the most boorish, the rudest demonstration that I have ever witnessed by any protesting group in this building. They accosted our Minister of Education. They swore at us in the hallway. It was simply an unforgettable performance by the educators of our children, one that leaves me shaken to this day, one that I was just totally taken aback that that could take place.

I say that with a great deal of regret. I am a product of the public school system, as are all my siblings and want to be and want to continue to be a supporter of the public school systems.

An Honourable Member: Indeed, you were a teacher.

Mr. Enns: Indeed, I was a teacher at one time, but I mention this only: this was created and caused by the militant leadership of that union, totally in my opinion misrepresenting the

thousands of teachers that are doing their work every day in their classrooms, but that is how they presented themselves in this Chamber.

Madam Speaker, my reasons for recalling this is let us remember this is what the Mike Harris government was getting virtually every day. This is what the Mike Harris government was getting not only from the teachers, but from the public service sector groups. This is what the Mike Harris government was getting from a whole host of vested-interest groups that were played out across the television screens across this country. Who would have said two years ago, who would have said three years ago, who would have said a couple of months ago that the Mike Harris government would get re-elected in a relatively substantial way and will go on to provide those wise policies that Ontario needs?

I am simply experienced enough to note, and I say this as much as for encouragement to some of the new members that are coming on stream that the danger of reading into what sometimes gets presented to us here in the form of militant demonstrations does not necessarily, in fact, in most instances, reflect thinking Manitobans. I am satisfied that when the day comes that we will be knocking on Manitoban's doors for reconfirmation of the policies that this government has set in place that they will want three, four or more, many more of these kinds of budgets. They know the course that we are on. They know that there is a reason why we are taking these courses.

They also like many other things about this government. I could be diverted. I think they like the positions that we are taking on matters of justice. I think they like the position that we are taking with probably the most challenging department of our government, Family Services, my colleague the honourable Minister of Family Services (Mrs. Mitchelson).

They like the course—the teachers do not like the course, but the parents like the course of our insisting on measuring outcomes out of the education system. I am not getting—is anybody getting besieged by letters from parents who are distraught because we are asking our Grade 3s or our Grade 9s or our Grade 12s to write some exams, to do some testing? None of us are

getting those letters. None of us are getting those letters. [interjection]

Well, maybe on one or two issues but the fact that we are challenging our education system at some point in their process of delivering education to our children to be held accountable by some means. Surely that cannot be an issue. That is an issue that resonates. We walk, we fan out, we talk to people on our cabinet tours, and that issue just brings an immediate nodding of heads in agreement in terms of support for this government.

Madam Speaker, we will carry on. We will carry on on the course that we have set for ourselves with the firm and comforting knowledge that our course is the wise one as, this editorial acknowledges, is the course that Mr. Harris and the Conservative government in Ontario set for themselves was the wise one, the right one for Ontario to undo some seven years of mismanagement by a Liberal and a New Democratic Party regime. They only had one crack at it, and the Liberal one was cut short, as I understand it. It was only about three years.

But in those seven years they wreaked unconscionable harm to Canada's premier province, and if you think Manitobans are not listening today to what is happening in British Columbia—here are our two wealthiest provinces, Ontario and British Columbia, the two have provinces that contribute massively to the transfer payments of the have-not provinces of which we still are one to some extent, but certainly the Maritimes, and we are getting out of it. Two NDP governments have brought the two economies of those two provinces virtually to their knees, and that is noted across this land, and that will be acknowledged here in Manitoba when we put ourselves before the people of Manitoba for reconfirmation.

Madam Speaker, just a bit about agriculture, and I want to talk about agriculture, just two very short items. I want to first of all just simply talk about the support programs that we have and just the difference between what a caring and sensitive government does and a government that is somewhat removed, Ottawa and their support program for our farmers.

Then, Madam Speaker, it would not be Harry Enns speaking to this Chamber if I did not add a little bit of additional colour. I want to speak about watermelons and how they are, in fact, threatening agriculture today. They are indeed threatening agriculture today.

First of all, on the farm aid reports, I am pleased to report to this Chamber that I am going to be asking my Treasury Board and my cabinet to raise the upper limits of the \$25-million recovery loan program that we very quickly made available to Manitoba farmers when it became apparent that the need was there and that the complicated provincial-federal program was, first of all, questionable in terms of its criteria as to how many of our producers could actually access that program, although I do not want to be overly critical at this point. They jury is still out on that. The income tax forms are just being filed, and it will be another month or two before I can give a more definitive report as to how much assistance that program really is.

What I do know, Madam Speaker, and what this budget contains is that we have committed a massive amount of dollars, \$62 million, to that program—\$62 million to that program. But on the recovery program—and I take some pride with it. I am going to be in the next week asking for an extension of that program because the \$25 million is rapidly becoming oversubscribed, and I am told that upwards of \$17 million has actually flowed to farmers who are cash-strapped, who desperately need some support, particularly right at this time of the year as the heavy expenses roll in, when you see the crops being put in all over the province of Manitoba.

I want to just conclude by a few comments, as I promised, about watermelons. Madam Speaker, there was a downside to the end of the Cold War because during the Cold War a lot of our leftist friends and people that particularly did not like the Americans, under the banner of peace and ban-the-bomb and anti-nuclear—this demonstration—remember when a peace march used to attract thousands and thousands of people down Portage Avenue, up Memorial Boulevard, to this building? I always took some comfort in the fact that under that umbrella of hate-the-Americans and left-of-centre politics,

that was an all-encompassing umbrella over that group where they kept themselves occupied.

* (1530)

What has happened, of course, with the end of the Cold War, these same groups are still out there, but they have to find something to engage their political militancy with and activity with, and their subject was the environment. Let us glom onto the environment. You saw a distinct correlation between the dropping of the military concerns that we had during the Cold War and the growth of the environmental movements right across this land.

I call them watermelons because, although they were green on the outside, they were red on the inside. Deep down, there was this incipient fear and hostility towards the Americans. Now, the Americans, whether we like them or not—I happen to like them—are also, more importantly, our biggest single trading partner. The catch word right now that they have glommed onto is being featured all day today on CBC and Dr. David Suzuki has an eight-part series going on—you can hear it on Ideas tonight—is "biotechnology." You see, there is the big conspiracy afoot now that the American multinational firms like Monsanto—who I am very pleased to welcome onto our campus with a \$12-million research facility—through their genetic engineering of plants, are going to cause the ruination of mankind.

That is the fearmongering that is now going on. Regrettably, it does impact seriously on our farmers because we have, and have had for the last number of years, a very significant amount of our canola, of our soya that we grow from the States, all our corn, is genetically engineered, if you like. Madam Speaker, it is nothing frightening. It is nothing new. It took plant scientists at the university many, many years to do the same thing in the old-fashioned way. If we wanted to take out of a wheat sample—as we did from time to time—that would be more resistant to rust or more resistant to another particular problem, it would take our plant scientists 15-18 years, working diligently, splicing plants and doing it the manual way, to get rid of a particular gene or to add a gene that gave that plant strength to withstand certain

diseases and be more resistant to them and so forth.

It does not surprise us, with technology moving as it is in this computerized world, that we have been able to do it better. We have been able to look much more quickly into the gene structure of various plants and organisms and come up with combinations that are tremendously beneficial to agriculture. Fully 50 percent, 60 percent, of all the soybeans, which is a massive crop in the United States and competes directly with our canola oil, is genetically engineered. Forty percent of all those yellow fields that you will see this summer in our farms are genetically engineered canola fields. Canola oil is the premium edible oil, and do not let anybody else tell you anything else, least of all a watermelon on CBC.

So, Madam Speaker, I take this opportunity to, first of all, ease the confidence of Manitobans who are eating this food. This is good food, and there is absolutely no science in any of the fearmongering that is being spread about biotechnology in agriculture. There is a different issue. I think this country, the world, faces a tremendous challenge as to how we look at our own reproductive challenges in the future, as to what extent man should tinker with some of these issues.

I am a modest rancher from Woodlands, a Minister of Agriculture. I am not trying to tackle them, but I speak with confidence when I speak about our canola, when I speak about our corn, when I speak about our future alfalfas, when I speak about our potatoes that can now be grown with a much more selective use of herbicides. Surely that is a good thing for the environment. These plants will require maybe at most one pass of a herbicide or of a pesticide, where the other plants often required four, five, six passes of the same thing. Now, surely, if anything, that should be embraced by my watermelon friends. That should be encouraged.

An Honourable Member: But are they?

Mr. Enns: No, they are not. They are attacking it. But it has severe repercussions for agriculture, not only in Manitoba but in Canada, because agriculture is set on that course. We

ought not to be fighting these kinds of rear-guard actions from within when we are challenged constantly to make sure these products have the highest reputation as we seek out the markets of the world.

Madam Speaker, I am delighted and I am proud to serve this government. I am proud of this budget. This government will be passed. It will be of particular delight for me to see members opposite help ensure the prediction that I made at the start of this speech when they vote against this budget.

I want to be able to knock on every one of my doors in Lakeside and have a budget in one hand and the voting record of this House on the other hand and say: Would you believe it, ladies and gentlemen, that this opposition—this government voted against tax increases—voted against increased health care spending, voted against increased opportunities in education? That is what you people are going to do, and that is why you are going to be returned with fewer seats than we. This government will come back with an increased majority. Thank you.

Mr. Kevin Lamoureux (Inkster): I, too, wanted to put a number of words on the record on this budget.

Madam Speaker, I have alluded to it earlier in speeches in this very young session about the importance of actual sitting days. I think that always one has to take things in proper perspective when voting on a document that we have, like the document that we have before us.

I was listening to the member for Lakeside's (Mr. Enns) comments, and I was paying especially a lot of close attention when he was talking about the Grade 3 standard exams. His mind seemed to be somewhat open towards that, which always gives me some hope that that is one of the areas which this government would address. But I bring it up because I would articulate that there are a number of things within this budget that even the staunchest team player, the staunchest member of that caucus, will have a great difficulty with and, in fact, I would argue, would probably even express disagreement with, their constituents.

Madam Speaker, the government is going to, no doubt, vote en masse in favour of this budget in order to carry the party line, as it should, but it means you are going to be taking the good and the bad. There are aspects of that budget, no doubt, that you might, as an individual MLA, have some difficulty in terms of agreeing with.

Having said that, I have alluded to earlier in speeches to the length of session. One of the things that Jon Gerrard, the Leader of our Liberal Party, has come out very strongly on is the need for more accountability. If we take a look at the length of time that has lapsed between the session and the calling of this session, we find that it is totally irresponsible for government to take a break of that magnitude. It has ultimately led to the Liberal Party taking a position that we believe that there needs to be an accorded number of days, and the threshold that was established through our Leader was 100 sitting days. This is something that is absolutely critical when you take into account that there has been or will be and has been billions of dollars raised and spent.

We make and contribute to legislation that has an impact on the daily life of every Manitoban. This sort of session or abuse of session sittings is not something that is just with this particular government. It was also there when the NDP were in government.

* (1540)

In talking to the Leader of the party in regard to not only that particular issue and the budget that we have before us, we have to be cognizant of the fact that today during Question Period we talked about the broken promises. Well, when the Leader and I were talking about it, we talked about the broken record of the NDP. We look at the government, and it talks about the tax decreases.

Well, you know, back in '88, and it is important that we put things in perspective, I was elected because Manitobans as a whole were revolting against the tax increases that the NDP government of the day were levelling. At one count, I believe it was something like 36 tax increases or different forms of taxes that were in fact being increased.

Now, this government, Madam Speaker, likes to say that it has not increased taxes. Well, that is not true. There have been tax increases also. Like we will tell Manitobans or remind Manitobans of the abusive tax measures that the NDP had when they were in government, we are also going to be letting Manitobans know in terms of that this is not a government that has not increased taxes. It has increased taxes, and it has increased taxes in a very regressive fashion.

Now, we look at this in terms of accountability. The document that we have before us is not a comprehensive, detailed budget—that will maybe come after May 11, as we see more detailed Estimates coming through—but I think that there is a fair assumption that many members of this Chamber, in particular I look to the member for The Maples (Mr. Kowalski), myself, and no doubt others, whether they want to say so or not, where it is a question of ordinary accounting procedures that should have been taken into account when giving some sort of an assessment of this particular budget.

There is a well-respected professor of economics, Dr. Cameron, we have our Provincial Auditor, Jon Singleton, where they have expressed real concerns in terms of what the actual status of Manitoba's financial picture really is. What they are referring to, in particular the professor, I believe, is the manipulation of the Fiscal Stabilization Fund. If we carry it through to the Provincial Auditor, I believe what we are also talking about—

An Honourable Member: Grade 3 accounting.

Mr. Lamoureux: I will talk about the Grade 3 accounting, but the Provincial Auditor, in reference to the pension liability fund—those are two issues which really confuse or put a lot of clouds over this particular budget. I can recall back in '88 when the government at that time—and the dean is very much aware of that particular budget, and I hope my memory serves me correct—the budget that was introduced was actually a fairly significant deficit, and that was the NDP budget at the time that was being proposed. Well, the government-elect manipulated and worked that budget—[interjection]—no, no, manipulated it in a positive way. In many ways, they did some positive

things there, but at the end of the day they actually had a surplus. It was somewhere in the tune of \$50 million. Yes, it was a \$50-million surplus, but being the first year in government, they did not want to say they had a surplus, so what they did was they went and they created the concept of the Fiscal Stabilization Fund and borrowed \$150 million. So they created a debt in order to create the Fiscal Stabilization Fund.

We pointed out at that time that this was nothing more than an election fund, that it was going to be used in the future to manipulate the books. Lo and behold, and before I say my lo and behold, that particular legislation, Madam Speaker, and the budget were actually supported soundly by the New Democrats at the time. They supported it, and the dean remembers that. They supported it, to our frustration, because we knew that that fund was going to be used in a very manipulative way.

I would have to go back into Hansard, but I can assure all members that, if they read speeches from the Liberal MLAs at that time, they will see those sorts of comments that were being made. We did not have a crystal ball back then. We were just getting our research together. But now what has happened is we have seen full circle take place. Now we have a deficit, an actual deficit, and this is where, as I say, we bring up Professor Cameron's observations. We look at our Provincial Auditor's observations, where we have a deficit, and that deficit is actually being erased by using the Fiscal Stabilization Fund and turning it into a surplus. Do we not see some irony in that?

Another thing that I find somewhat ironic is the last time I believe the NDP did not introduce an amendment to the budget was back then when they created the Fiscal Stabilization, and again today we did not see an amendment being moved to the budget. It is something which, I believe, as all members, we have to agree that there needs to be a better accounting of the way in which we present our budgets because it has become very apparent, especially if you believe that there is a need for a Fiscal Stabilization Fund. Under the right circumstances there is a valid argument to have a Fiscal Stabilization Fund. You have to put into place aspects to the

legislation that would prevent its abuse, as we have seen in this last budget.

A good example that was raised by our Leader this morning in my discussion with him was Centra Gas. You know, when MTS was sold, the proceeds from MTS ultimately wiggled their way into the Fiscal Stabilization Fund. When they acquired Centra Gas, you did not see any of those funds wiggle away from the Fiscal Stabilization Fund in order to acquire Centra Gas. Madam Speaker, the party believes very firmly in the need to have multiyear budgets. It is something which we have heard—Clayton Manness when he was Minister of Finance talked about it, and the member for Brandon East (Mr. L. Evans) recalls it too. Clayton Manness argued for multiyear budgeting.

Well, we believe that a Liberal administration would ensure that we would have multiyear budgeting, and where that helps is your different level of governments, whether it is your school divisions, whether it is your municipalities, whether it is your nonprofit organizations, where the government has financial commitments, it definitely is of assistance if they know in advance what it is that they can actually expect in the years to follow. That is something in which actually our current leader had a major role in playing at the federal level in terms of multiyear budgeting, so we have experience on that particular point in terms of making it happen.

An Honourable Member: At least in terms of slashing health care is concerned.

* (1550)

Mr. Lamoureux: Yes, well, never wanting to evade even the controversial issue. On the whole health care, what people have failed to recognize is, again, I will go back to the early years between '88 and '93 when every member in this Chamber was standing up saying, that darn—darn is unparliamentary, I will not use that word—Prime Minister Brian Mulroney, they said that that Prime Minister was whittling away at the health transfer payments and by the year 2005 Manitoba will have nothing in terms of health transfer payments.

Well, Madam Speaker, one of the things that Jean Chretien did do is he established a floor so that guaranteed that there will in fact be health care transfers well into the future, and when Canadians demonstrated the need for more health care dollars to be put back into health care that there were more health care dollars that were put in. Is it enough? There could always be more, and I do not question that, but let us be, at least, if you are going to talk about some of the cuts, be honest with the fact that it was the Liberals that made it happen in the first place in terms of the Canada Health Act; and No. 2, the Liberals ensured that there is always going to be a continuation of funding for health care, contrary to what actions Brian Mulroney had taken.

Madam Speaker, when we look at health care, you know, this is really interesting. The government—and we will give them credit—look at the polls, and the polls say, oh, health care is a big issue. And I am with the polls on this one, it is a huge issue. So a good way to silence your critics is to throw money, and this government threw a lot of money at health care. That is something which you might have expected the NDP to do, and I will tell you one of the reasons why at least in part we are in the problems that we have in health care, even today, is because of some of the mismanagement of the health care system back when the NDP were making the administration of it. When the Seven Oaks Hospital, for example, was even built, at the time, there were a number of things that were supposed to take place that did not happen because of the politics of the day. I am aware of that because of when we, and I looked, and the member for The Maples and a few others fought to save the Seven Oaks Hospital. There was a lot of mismanagement done back then.

Madam Speaker, like the NDP back then that did not have any idea how to implement legitimate valid change that was going to make us a healthier health care in the future, this government, I do not believe or we do not believe, really has a detailed plan on what it is going to be doing with that money. I would suspect that that is going to be one of the—if by chance the election is not called on the 11th of May or possibly tomorrow, that the health care Estimates are going to have to do a quick draft

and find out where they are going to be putting the money because it is a great deal of money that is being put into health care. The only question that we have on it is: do you actually have the plans in terms of what it is that you are going to be doing? Where is that step-by-step? Where is that long-term vision or plan?

We applaud the government in terms of its appointment of Wally Fox-Decent, Madam Speaker. We avoided a potential crisis situation. We had the Liberals in Newfoundland where we had nurses walk and legislated back. We had Saskatchewan, where not only were they legislated back and they did not go back, they got a court order, and they still did not go back. It is because of the labour issue and losing absolute and complete confidence in Saskatchewan in the NDP's ability to be able to negotiate.

Well, to the government's credit, it took someone, an individual—and I think that particular individual has the support of all members of this Chamber, Wally Fox-Decent—who was able to bring this thing to a conclusion in which the most important person won, and that is Manitobans. Those are the ones who are the biggest benefactors. There still are some concerns. It frustrates me, the member for The Maples (Mr. Kowalski) and the Leader of the Liberal Party who have met with nurses' organizations where they talk about some of the issues that need and have to be addressed, Madam Speaker.

I think this is one of the biggest things which we as a political party have to offer to Manitobans, is that we are prepared to sit down and work with the different individual stakeholders in order to help and assist in developing an overall plan or a vision in which we are going to see changes to health care that are going to ensure future success, that are going to ensure that we are going to adhere to the five fundamental principles.

Ultimately, Madam Speaker, I would suggest to you that there are many things that we could be doing in health care to enhance it. Whether it is in home care services, whether it is in our community facilities, there are many things that can be done in order to provide a

better quality service to all Manitobans. I look forward to the opportunity to continue having that dialogue with our health care workers and others, along with many other individuals, in order to make sure that we do have a good, solid vision for the future of health care, because we in the Liberal Party—and, in particular, I look at our Leader, Dr. Jon Gerrard, who has a great deal of first-hand experience in dealing with health care workers and patients and has been touring the province generating good, solid support with the types of policies that we are going to be talking about.

Having said that, Madam Speaker, in terms of education, there was a Leaders' debate at the Convention Centre—no, it was the Holiday Inn, I think it was—with MAST. [interjection] The minister is thinking of a different debate. Yes, at the Teachers' Society, the Premier (Mr. Filmon) stood them up. You are right.

Madam Speaker, there was another debate. It was with MAST, the Manitoba Association of School Trustees. The Premier did show up, and he definitely gave the impression—at least that is what I heard and that is what the Leader of the Liberal Party heard—of a commitment towards special needs. Yet we do not see that commitment materializing in this budget, unless there is something that is hidden somewhat somewhere in the inner depths of the budget when we see the supplementary information.

An Honourable Member: You are asking us to disclose our hidden agenda.

Mr. Lamoureux: Then it would not be a hidden agenda, it would be a public agenda, and that is what Manitobans want.

But, Madam Speaker, we do believe and have recognized in the past that there is a need for us to look at the way in which we finance education, and special needs really highlights that, the whole idea of the 5 percent. It is a straight 5 percent, for example, for Special Needs 1 students if every school division gets a flat percentage of their population towards Special Needs 1 funding.

Well, Madam Speaker, I would argue that there is a much higher percentage of Special

Needs 1 in different areas of the province than other areas, whether it is urban, whether it is rural, yet the amount of funding is based strictly on that 5 percent percentage. There is a huge need for that Special 2 and Special 3 financing to be enhanced in order that these individual students are in fact being given the types of resources that are necessary. So there was a heightened level of expectations at MAST when the Premier spoke. It is something which we in the Liberal Party will be monitoring very closely and expect the government to materialize on that particular issue.

Madam Speaker, there is the issue of taxation. That is a really sensitive one in the sense that this government no doubt, whenever the election is called, is going to be going out saying—and the member for Lakeside (Mr. Enns) said it himself—budget in hand, vote in the other hand. Well, you know, we support the decreases to personal income tax. That is something which I believe Manitobans want and is in much need. It is something which I do not have any problem with, and the party itself supports.

* (1600)

But there was an area of taxation in which the government has been grossly negligent. That is the whole issue of property tax. The only actions that we have seen from this particular government have been all negative actions towards property. If we take a look at it, we have had the one clawback brought in by this government, which meant more property tax being paid.

We have had freezes and cutbacks in education, which have resulted in school divisions increasing the school division taxes, which is—and this is a very strong opinion that I personally have—one of the worst taxes that the province of Manitoba has, is that school division levy, and I will continue to work even within my own party in terms of trying to address that particular tax. But, having said that, the province also has a provincial school levy. There are so many tools that the government has to be able to alleviate one of the worst taxes that the province has, one of the taxes which is putting communities—whether it is Winnipeg or rural communities—at risk of losing opportunities

because of that property tax base, and they are ignoring that. They are not doing anything to enhance that. That is an issue which the Liberal Party will not accept. We believe that is something that has to be addressed. In fact, the Liberal Party will address that particular issue.

Madam Speaker, I know the clock is somewhat running out.

An Honourable Member: Do not worry. We would rather hear you than Enns.

Mr. Lamoureux: Well, Madam Speaker, I always find it interesting and somewhat enlightening when the member for Lakeside (Mr. Enns) speaks of agriculture. Agriculture is a very important component for our—

An Honourable Member: You saw a farm once.

Mr. Lamoureux: I actually have a farm in the riding, of Inkster that is, and I go out into different farms, and so forth.

An Honourable Member: Where?

An Honourable Member: Name one.

Mr. Lamoureux: Name one? I can name more than one. There is more than one farm. Mind you, Madam Speaker, if the movement is towards corporate farming, there might only be one farm, if the Minister of Industry and Trade—the Minister of Industry and Trade, at times, chooses to heckle, and he really should not heckle because I recall an editorial in Steinbach, I believe it was.

An Honourable Member: A fine community.

Mr. Lamoureux: He says "a fine community," and we in the Liberal Party agree fully, a fine community, but we have the minister, who is supposed to represent all of Manitoba, giving his plugs and telling his department to focus their attention, or at least implying that the attention should be focused strictly on rural Manitoba. You know, I look to the Minister of Industry and Trade. That causes me concern. If I were Mayor Glen Murray—[interjection]—which I am

not, that is a fair assessment, but there is no fooling this minister, I must say that.

Let us not forget that Winnipeg is also a very important part to Manitoba. The minister does have a responsibility at ensuring that some of those industries that he is trying to attract and promote to grow could, and possibly should be, in the city of Winnipeg. Do not write Winnipeg off. The Liberal Party will not write Winnipeg off.

Anyway, the minister kind of threw me off my comments. I was going to talk about agriculture. Madam Speaker, the agricultural community is a community that does need and does warrant a lot more attention.

I have 10 minutes to speak, Madam Speaker? Thank you. Yes. I would ask a two-minute warning, if I can, because I do have an amendment that I was hoping to put forward.

I was again going to talk about agriculture. The agricultural community and the family farm are indeed an important issue to all members. What is important is that we see sometimes, and I made reference to it when I was talking about health care—again, that long-term vision towards health care. You know, in one sense, we have seen good growth in the hog industry, but there is a great number of hog farmers that are really concerned about the whole potential of vertical integration and what that could do for the small producer. This is something which has been raised constantly, especially in the area of hog farming, with members of the Liberal Party, with the Leader of the Liberal Party.

There are other issues that need to be addressed, issues surrounding the environment. Even though we recognize the importance of our agricultural community in terms of diversification and we want to see that diversification, there is also a responsibility on the environmental front. I would not suggest that we go the extreme in some isolated cases that the member for Rossmere has suggested in some of the public lobbying she has done down stateside to try to prevent some of that diversification, but having said that, Madam Speaker, I do believe that we do have to—I am sorry. Did I say Rossmere? I meant Radisson.

My apologies to the Minister of Justice (Mr. Toews). The same area of the city, but the member for Rossmere (Mr. Toews) is a lot more sensitive than that particular member when it comes to agriculture. I would be in full agreement with that.

Madam Speaker, there are issues and, again, if we want to stick to the hog one, in terms of the hog waste and what is being done with that waste—the lagoons and so forth. There are areas in which we need to see much, much improvement in terms of that whole vision as we referred to on health care.

When we talk about the family farm, I think that what we need to do is to see or to at least see a party—and I would suggest to you the Liberal Party will be presenting a picture that has a vision that is able to demonstrate to Manitobans that the rural farm will have a role to play well into the future in the province.

There are many other areas of diversification that we look at in our rural communities, and we recognize the importance of supporting our rural communities through different programs that will allow and enhance the opportunities in those communities, Madam Speaker. There are so many aspects that one can actually touch upon when dealing with a budget and the details of that budget. There is no doubt I am missing many points, but I do the best job that I can in terms of the somewhat limited time that I have, and one never knows whether or not you will get the opportunity to speak to another budget. I trust and hope, my constituents willing, to be able to do just that. I wanted to comment to the effect that whether there is an election called on May 11 or not, that there is going to be a much higher sense of accountability being articulated and argued for from the Liberal Party's perspective. We believe, as I started at the beginning of my speech by talking about the length of a session to an election campaign, that it is all about accountability. It is all about integrity. We need to do what we can to ensure that Manitobans are best served with the tax dollars that we receive inside this Legislature, with the laws that we enact.

The Liberal Party is committed to putting together a good, solid group of individuals,

Madam Speaker, and I think for far too long this province has been governed by the two extremes inside this Chamber, that Manitobans, if presented a viable, strong alternative, will, in fact, look and listen to what is being said. We hope to be able to influence and get the support that is necessary in order to form a government and present to Manitobans a budget which is straightforward, a budget that the Provincial Auditor or that recognized professors of economics would find it difficult to say that it is a budget that is manipulating the numbers.

This budget does not tell you the real story, and that is the problem that we have with the budget. The real story is what I had alluded to earlier, and because I only have five minutes to go, I will not go back into that. I believe that a Liberal government would have presented a different budget, a budget that would have seen many of the positives that we see in this particular budget, such as the decreases in personal income taxes, but we would have gone further. On the issue of taxation, we would have done something with the property tax issue. We would have done something like reducing the property tax.

* (1610)

Madam Speaker, in health care, you would have seen a vision. In education, you would have at the very least seen a very clear indication that we are going to stop the further reliance of financing education or the growing reliance of financing education on the property tax. We have to stop that at the very least and start to move it in another direction where it is being reduced. This is something which the government when in opposition did say that it would do. There is so much more that I could say, but, suffice to my running out of time and then being embarrassed and asking for leave, I am going to propose at this point, and I do that:

"I move seconded by the member for the Maples that this motion be amended by adding thereto the following words;

"But that this house regrets;

"That this government; by neglecting to incorporate in their budgets the full financial

activity of crown corporations and their complete pension liabilities, by failing to report the cost of the purchase of Centra gas, by draining the fiscal stabilization fund for partisan political reasons, and by failing to respond to the demand for clearer accounting practices, as recommended by the provincial auditor, has tabled a budget that does not reflect the transparency, openness and accountability that Manitobans expect from their provincial government and has turned the provincial budget into an election platform and therefore this House has lost confidence in the government and has thereby lost the confidence of this legislature and the people of Manitoba."

Motion presented.

Mr. Ben Sveinson (La Verendrye): Madam Speaker, it is indeed a pleasure to be here this afternoon to speak to our government's most recent budget; but, before I go into that, I would like to say a few words in regard to the recent boundaries that were passed in Bill 2.

Madam Speaker, my particular constituency, the constituency of La Verendrye, was not changed a whole lot. What happened was that they removed the most northeasterly corner of my constituency, removing, I guess, you would say the people from Seven Sisters, River Hills, Whitemouth, Elma, Rennie and from Seddons Corner area and Ste. Rita. The reason why I wanted to speak to that was simply that over the years, and it has been a shade over nine years, the fun that I have had in those communities in everything from poker derbies with horses to baseball games and many other things, these people in all these communities have made me and my wife feel very, very welcome and treated us superbly.

I would simply like to take this opportunity to thank those people for that great reception, the idea or the fact that I never left any of those communities hungry or thirsting for friendship. They were superb people and treated me well.

I worked with their municipalities and the people within the communities on many, many different projects. For all those things, I thank them very much and in the next election—or after the next election, if I am honoured enough to

receive the backing of the people from La Verendrye once more—I indeed promise to visit them and have some more fun over the next number of years with them. For all of that, I thank them and tell them I will return.

Madam Speaker, I would also like to spend a little bit of time speaking on—and I am not sure, I hope this is parliamentary—feeling sorry for some of the people within this Assembly. Those people in the opposition benches that stand from time, and they are getting so desperate, as was shown this morning by the Leader of the official opposition. They stand and resort to name-calling and using unparliamentary language.

The Leader of the Opposition (Mr. Doer), this morning very lamely—[interjection] Pardon me, correctly, it was this afternoon—got up and asked the Premier (Mr. Filmon), or did not get up, he just from his seat chortled that the Premier should indeed call an election, call it right away, and with a feeble little clap from behind him, some of his members, you could tell, really did not want it called. You know, we want to put on a good show, but please do not call it. You could see it very clearly.

Madam Speaker, the members opposite have stated time and again that this government has put forth a good news pre-election budget, a budget that would woo the voters, a budget that is full of additional spending, a budget that has dipped into the rainy day fund and will win votes. I am often confused over what members opposite's fundamental concerns are and what they want for the people of Manitoba. Members opposite have stood up in this House demanding the government use the rainy day fund and demanded that we restore funding to health care. Another little myth out there, because the funding for health care was never taken away. In fact, it was increased year after year in all of our budgets.

There are a couple of paper clippings that I have here that I would like to kind of touch on a little bit. It reads here, and this is in the Winnipeg Free Press, believe it or not. "Opposition gets lost in numbers." Did anybody read that one? It says here—

An Honourable Member: Dispense.

* (1620)

Mr. Sveinson: Yeah, I know, dispense. I cannot.

"Attacked from the left, pummelled from the right, Premier Gary Filmon finds himself right where he wants to be as he heads into the next election campaign—hugging the middle ground.

"The Tory game plan became clear Thursday when Finance Minister Harold Gilleshammer tabled a budget calling for modest tax cuts and a major increase in spending, particularly in health.

" . . . Not only has it effectively eliminated the opposition's major campaign issue—spending in health care—it has forced them to argue that the Tories are actually spending too much, too fast." Is that not incredible?

"The premier couldn't have scripted reaction to the budget better if he'd written it himself. Labour types were complaining it wasn't enough, while those on the right were complaining that it was too much. Opposition politicians, meanwhile, found themselves in the embarrassing position of denouncing the Tories for doing exactly what they had demanded of the government for the last several years." This is quite an article.

"In fairness to the opposition"—and now we are being totally fair here—"it is true that the budget is more aggressive in its approach than might be the case if this was not an election year. At the same time, however, this document's economics are not quite as shaky as they would have everyone believe.

"The controversy surrounding the 1999-2000 budget stems from the government's decision to withdraw \$184 million from the fiscal stabilization fund and \$131 million from the special federal health-care fund to bolster spending on a variety of program initiatives. Mr. Gilleshammer argues that there will be enough growth in the revenue line to offset the cost of maintaining the core spending outlined in his budget.

"There should be little argument about the government's revenue projections. They are

based on economic growth, projections of 2.4 percent annually, a number that is in keeping with estimates provided by the Conference Board of Canada. This will translate into revenue growth of about \$158 million in the year 2000/2001.

"The trick to making this budget work is on the expenditure side. In theory, the government would have to come up with a combination of revenue and expenditure cuts equal to the amount withdrawn from the two funds in order to live up to its commitment. The Tories argue that this is achievable because many of the expenditure items covered by the withdrawal from the fiscal stabilization fund—one time expenditures on things like the millennium celebrations, flood assistance and other assorted capital projects—will drop off the budget after this year. In addition, the promised increase in federal health transfers will begin to kick in during the fiscal year 2000/2001.

"The Tories acknowledge they're pushing the margin on some of these projections, but they also point out that even if they are a little off, they still have \$220 million in the fiscal stabilization fund to ensure that core funding to programs such as health is not affected.

"It is, of course, perfectly legitimate for the opposition to question the government's budget projections and to question whether the public finances are being manipulated in order to win points with the electorate. But this kind of criticism doesn't go very far unless it is accompanied by a much broader and deeper discussion about the underlying principles and policy decisions that accompany budget numbers. After all is said and done, the real question in all this is what would the opposition do differently?

"In their budget, the Tories have pledged to cut the personal income tax rates to 47 percent by Jan. 1. They've said they will dedicate two-thirds of the increased spending in this year's budget to health care, with the rest spread across a wide variety of social programs. They've said they wanted to improve opportunities for young people and plan to create 1,000 new community college spaces.

"Neither New Democratic Party Leader Gary Doer nor the Liberal Leader Jon Gerrard has challenged any of these choices. Neither of them have said that if elected they would cut back on the amount of money the Tories are pledging for health care or increase the balance in the fiscal stabilization fund. Nor have they been heard to suggest they will hike personal income tax rates or cancel the plan to reduce the small business income tax rate.

"The simple fact is that the opposition is focusing on the revenue and expenditure projections, not because they are overly significant in the larger scheme of things but because they really have nothing else to say."

Madam Speaker, that clipping was so realistic and so right on the money that I could not help but read it.

There is one more and it is not too long, but I have to read this one too. It comes from the Neepawa Banner, Mr. Ken Waddell, editor and chief.

It says: Speaking out, PCs' hopes look stronger. It goes on to say: A candidate for a Progressive Conservative nomination was questioned as to why he would choose to run PC. He has a strong background in the supposedly more social-oriented side of political life, and it was assumed by the questioner that he would run for the Liberals or even the NDP. The potential candidate's answer was very wise. He said it was easier to get social responsibility out of the Tories than it was to get fiscal responsibility out of the NDP. Now, that is a mouthful. The NDP would have us believe that they have a corner on the social responsibility market. There is a big gap in their logic. They assent to the killing of babies at any stage of pregnancy up to the date of birth, but they want us to believe they are socially responsible. They promote the gay lifestyle in schools and ignore the problems that this gross misinterpretation yields.

They want us to believe that they are socially responsible when they claim that there has been massive health care cutbacks when in fact provincial spending in health care is higher than it has ever been. True social responsibility

comes when you run the province in a healthy financial state, so that there is some money with which to be socially responsible. On the financial side, the NDP leaves a big gap. The majority of NDP support comes from people who have never had to meet a payroll in their life, academics, a few lawyers and some social activists, many of whom are on government support of one kind or another. Then there are the unionists whose only song is to cry for more, more in spite of the health of the company or the state of the economy.

The political system is far from perfect. It is surprisingly healthy considering it is made up of volunteers bound together in a loose-knit membership, a constituency executive and a provincial organization. Even at the provincial level, parties are largely run by volunteers. It is no wonder that the old crackpot gets into the chicken coop. The Tories, their ill-conceived vote-splitting scam was a dumb move. The taxpayers spent a lot of money to try and figure out where a couple of blockheads twisted away 4,000 of the party money, spent, by the way, in a manner that it was not illegal, immoral—no, pardon me, was not immoral, but not illegal. That is a mouthful.

Perhaps the Monnin inquiry should be reconvened to investigate the busing of people from one poll to another in an election. Perhaps they should inquire whether other skullduggery goes on. Fortunately, illegalities do not happen often. No party is immune. Hopefully, the NDP will not paint themselves too pure as they have lots of stuff in their closets, and we have heard a lot about that.

What is really interesting in this, two high-profile native people have offered themselves as candidates for the Tories. That is great. The NDP have long held the native people up for ransom, when good Tory candidates would have done a lot more good. It would be beneficial to democracy if there was an alternative to the Tories, but there is not. For two reasons, there are not good alternatives. The second reason is dependent on the first. Reason No. 1 is that the NDP's and Liberals' ideologies are utterly flawed, both believing that the government has to do things for the people that people can better do for themselves. In the bluntest terms, the

leftist philosophy would be ultimately happy if everybody or everyone was on social assistance. Due to these flaws, they cannot attract competent leadership. With flawed ideology and generating no leadership, they offer no viable alternative. I thought those were two clippings that we had to touch on.

* (1630)

Madam Speaker, I would like to go on by saying that we are creating a foundation for our children and grandchildren in this province. We have not flip-flopped in our plans and strategies. We have not had members stating balanced budgets would devastate their constituents, and in an election year, change their view and agree with the benefits and necessity of balanced budget legislation. The members have stood before this House and requested that the rainy day fund be used for additional spending in health and then, in an election year, state the government's spending is out of control and should not have utilized the rainy day fund.

Madam Speaker, our government has a plan, a plan that has made yesterday's government today's government and, my people in La Verendrye say, the government of tomorrow. We have not put forth a pre-election good-news budget. If we look at the past provincial budgets, we will find they are all good-news budgets in the election years and in the years between. This government is committed to the people of Manitoba. One only has to look at budgets past to know that this government has a plan for this province, one that the future generations can build upon and trust.

In 1995, we introduced balanced budget legislation. The legislation requires the province to keep its financial house in order by achieving balanced budgets. In 1993, we promised we would achieve balanced budgets by 1996-97, and we would do it without placing a greater burden on Manitobans. We delivered that promise one full year ahead, without increasing taxes and without cuts to health and social spending.

Over 60 percent of our provincial expenditures for 1995-96 went to health care—I ask that we watch these as I call them off

because you will see the correlation that year after year indeed this government has stood behind its promises. Over 60 percent of our provincial expenditures for 1995-96 went to health care, education and family services. We balanced the budget in 1995 and continue to do so today.

If one reviews our record, you will find that our budgets have remained on a consistent path each year giving back more to the people of this province. Yes, it did take time. We had to get our fiscal house in order, but all along we had a plan, a strategy that we have been committed to, a plan that is working for this province. One only has to look at our record—low unemployment rate, the job creation in this province and the new investments that are occurring here.

Madam Speaker, our spending commitments have remained consistent. We are building a future for this province, one that is based on a strong economy, a balanced budget and one that makes health care, education and family services our top priorities. A review of our previous budgets clearly proves this. In 1995, 33 percent of the government's spending went to health care, 18 percent to Education and Training, 12 percent to Family Services.

Madam Speaker, in 1995, our government made a number of commitments. In education we supported a \$2.6 million or 6.4 percent grant increase to community colleges to enhance training opportunities in areas of higher labour demand. Twenty-five new technology and science centres were established to support newly revised Senior 4 curricula for industrial arts. A \$1-million university incentive fund was created to foster change and renew universities. A maximum 5 percent tuition cap was put in for the universities. Under law and order, funding for 16 additional RCMP officers, \$3.6 million to equip the RCMP with a state-of-the-art communications system which would complement a province-wide 911 emergency service. A \$668-million commitment through family services, which was one of the highest rates nationally. Health care: \$1.2 billion was committed to hospitals, personal care homes and community health.

Madam Speaker, in 1995, we made a budget promise and we followed through. Members opposite have claimed that 1995 was a good-news budget. I can tell you that the budgets between 1995 and 1999 have all been good-news budgets. The 1996 budget: in 1996, our government delivered the first back-to-back surpluses since 1971. While delivering the surplus, we remain committed to meeting the needs of Manitobans. We introduced a \$12 million Manitoba Learning Tax Credit for students. Ninety percent of our new spending went to health. Again, year after year you see the correlation.

Education and Family Services: this equated to \$1 billion more in spending than in 1987. Our budget for 1996 dedicated \$3.5 billion to health, education and priority family services.

As in 1995 and years previous, our government budget included a commitment for job creation, ensuring quality health care for all Manitobans, ensuring our young people have the skills to succeed, leading the way to stop those who threaten our personal safety and providing low-cost government to keep taxes down, balance the budget and pay down the debt.

1997 budget, Madam Speaker. Spending breakdown once again: health care, 34 percent; Education and Training, 19 percent; Family Services, 12 percent; Economic and Resources Development, 11 percent; public debt, 10 percent; Justice and other government issues, 8 percent; assistance to local government and taxpayers or municipalities, 6 percent—65 percent of our government's budget in 1997 was spent on health, education, training and family services.

Year after year, the same thing, the increases show clearly where our budgets' money has gone. Health and Family Services in 1997, 34 cents of every dollar in the 1997 budget was dedicated to health care. This was the highest share in all of Canada. ChildFirst was initiated with a new \$500,000 fund to help families; \$300,000 to develop a nutritional program in partnership with community agencies.

Education: \$24 million for school construction, upgrading and repair plus additional funds to put more computers in classrooms; \$1 million of new funding for scholarships and bursaries for students at universities and community colleges; \$17.3 million direct support to students and their families through the Manitoba Learning Tax Credit.

Economic Development: There was also \$66 million for infrastructure across Manitoba in co-operation with federal, municipal and other partners, plus a \$75-million payment for debt reduction.

The 1998 budget, Madam Speaker, once again, 34.6 percent for Health, 19.3 percent Education and Training, 12 percent support to families, 11.1 percent economic and resource development, and it goes on.

Madam Speaker, in all those areas in all those years, every time health, education and support for families was up. Again, Health: \$10 million more to purchase medical equipment. I guess it is important, too, to note not just what department it went to, but what it went to: \$11 million more for dialysis, \$4.5 million more for care in personal care homes, \$2.4 million more to support additional intensive care beds and expansion of neurosurgery, an additional \$23 million for home care, \$600,000 more for provincial diabetes initiatives, \$670,000 for the mobile breast cancer screening program and \$7.3 million more for pharmacare.

* (1640)

Madam Speaker, I could go on and on showing the correlation year after year where indeed the opposition stand up and say that there have been cuts, and, plain and simply, the people of Manitoba cannot be fooled. They know indeed that this government has stood behind their promises. It is quite clear that our government has put forth a series of consecutive good news budgets that have been based on a dedication and consistency to funding for health care, education and family services without tax increases but with a balanced budget, a surplus budget and debt repayment.

Madam Speaker, our most recent budget follows this tradition. The 1999-2000 budget follows our pattern of fiscal responsibility with continued commitment to health care, education and family services. Again, this year, 35.5 percent of funding went to health care, 19.8 to education and 11.8 to support families. Our government is reducing personal income tax, small business taxes and projecting a \$21-million surplus. Manitobans are reaping the benefits of sound fiscal responsibility.

In Health, we have increased funding by 10 percent bringing our total health care dollars to \$2.1 billion or \$5.8 million dollars daily for the health care needs of Manitobans. The funding supports are planned to reduce waiting times, increase bed numbers and provide more community-based care; \$123 million to be used to build and upgrade health care.

Eight hundred and fifty personal care beds will be added to the system. Funding for personal care home services will be increased to \$300 million; \$20.5 million more for home care funding, a 16 percent increase; \$2.8 million will be used to create community-based health care centres; \$3 million more to expanding health care services; \$400,000 will be used to expand specialized services for stroke patients; also in education, an additional \$17.7 million for school divisions; an additional \$8 million for new learning technology; an additional \$3.2 million for curriculum and standardized testing; an additional \$1 million will be directed to pediatric speech, language, and audiology services; \$47.6 million will be spent on school renovations and construction.

We have also made funding commitments for \$180 million to be put to construct and maintain our highways and transportation infrastructure; \$21 million in funding to Rural Economic Development Initiatives under the REDI program; \$25 million for the Manitoba Producers' Recovery Program; 3 percent personal income tax deduction by 2000.

The small business income tax will be cut from 9 percent to 5 percent by the year 2002. The Manitoba film and video production tax credit will be extended to 2002. A lower tax commission will be established to ensure the

provincial tax system is simple, fair and comprehensive.

Over the past 11 years our government has taken this province, turned it around, and put it back on the productive track. Yes, the latest budget we have put forth is a good-news budget. However, I argue that this government has a tradition of putting forth good-news budgets. We have a vision and a plan for this province and our people. Our strategy has been consistent and effective. We have balanced the budget, began paying down the debt and remained committed to health care education and social services. I remind all honourable members that this government has not flip-flopped on fundamental issues. We have not changed our stance and strategy in an election year. We have a vision for Manitoba, one that all Manitobans will benefit from and one that our children and grandchildren will build from.

Mr. Leonard Evans (Brandon East): I rise to say a few words in this budget debate for the year 1999. I must say that it is a rather interesting budget, because it is not a typical Conservative, right-wing budget, because I always thought Conservatives were very careful not to increase spending very much, very careful not to be seen as being excessive spenders. Yet, when you compare this budget with many of the past of this government, by all means it is a lot more generous than previous budgets.

So I would not call it a Conservative budget, I would call it an election budget. There is no question, it is an election budget. It is meant to appeal to everybody. You increase spending, you give a few tax cuts, pay off the debt a little bit, a little bit for everything, everybody. Maybe that is a logical approach, to be balanced in that way, if you can afford it. This is what bothers me and bothers a lot of people in Manitoba, because I do not think the amount of additional spending can be afforded based on the current revenue situation. Our current revenues do not sustain, do not support the level of spending—[interjection] I am not knocking that. We need more jobs, we need more industry, we need more corporate income tax, but the fact is, Madam Speaker, I do not believe that this budget can be sustained. Of course, the government of the day is not going to worry about that because

there is going to be an election between now and the next budget year, and that is the least of their worries as to what is going to happen next year. They are concerned with what they can do this year and how they can appeal to the people of Manitoba.

I do not see how it can be sustained, given the fact that they took this enormous amount of money out of the Fiscal Stabilization Fund. Some people now are calling it an election slush fund. It is too bad, because it has a purpose, it has a function. Nevertheless, it has been used to the point that the government itself has broken one of its rules or one of its regulations, and that is not to draw it down below 5 percent of total spending. Well, we should keep the money in the rainy day fund for a real rainy day. The storm clouds on the horizon are called an election, an election out there and the people ready to vote.

At any rate, Madam Speaker, there is another point that I would like to make, and that is that this government and the revenues it has received have definitely benefited from a relatively buoyant economy. Our economy has been buoyant the last two to three years, which we should all be very pleased about; but, for goodness' sake, do not delude yourselves into thinking that something that this government did caused the buoyant economy because that is not true. It is simply not true, for the same reason that I would say very little that the B.C. government did to cause it to have the economic difficulties it has. With all due respect, we have to recognize the fact that there are some pretty fundamental important economic factors that are at work. They are at work in B.C.—the Asian economic crisis, the falling off of lumber and mineral prices. I mean, the B.C. economy is highly dependent on natural resource exports; and, when those markets go, your economy suffers. This is what has happened in B.C.

In contrast in Ontario, the Ontario economy has done extremely well, and we have done fairly well as well, because we have been able to benefit from the American buoyancy. We have benefited from the U.S. economy that is going gangbusters. The national economy is going gangbusters too, if I can use that slang, and therefore we have benefited, and that is good.

That is good. But let us recognize that it is nothing that is done by this budget or previous budgets. I mean, you talk about, well, we are going to cut taxes and all of sudden we are going to have all this great economic growth because of cutting taxes. Cutting taxes can be a factor, but far more important is the demand for the output of our goods and services of this province.

So, if we can see an increase in demand, as we have seen the last couple of years for our exports and for the goods that we produce and the services that we produce, then we benefit thereby, and we have benefited from that. The other reason we benefited, which provides more revenue, is the fact that we have a relatively low interest rate regime compared to what we had a few years ago which explains, incidentally, why not only Manitoba but most Canadian provinces—look at the figures—went into big deficits in the '80s. That is one of the reasons. There was a recession as well. But let us face the facts, that is what happened.

So the lower interest rates certainly benefit business. They benefit farmers, which makes a big difference if interest rates go up 1, 2, 3, 4, 5 points, particularly if you have to borrow like a lot of our farmers have to borrow for operating reasons, if for no other, and likewise for business, big or small. At any rate, so that is another factor.

A third factor is the cheap Canadian dollar, a relatively cheap Canadian dollar, so our export prices look very good in foreign markets. If it was not for that factor, we would not be exporting as much as we have been from Canada, including Manitoba. So we have benefited from those things. It has, therefore, given us the buoyancy and revenue that we are all enjoying, and this government has benefited on that account. That is the reality.

* (1650)

Madam Speaker, if you do look back, we have had some tough times under this government. Regardless of its budgets, we have had some times—[interjection]—well, the tough times particularly, I would say, were in the fiscal year 1992-93 because if you look at the budget

document yourself, you will see that there was a major drop from '91-92. It was almost \$5 billion, and it dropped to approximately \$4.7 billion. It was a major drop in the revenues, and the reason your revenues drop is because the economy fell off. There is nothing magical about it. Your revenues shrunk, retail taxes, income taxes, they shrunk and so your revenue shrunk.

As a result, in that year, '92-93, you suffered, we suffered the biggest deficit in the history of this province. I mean that is where you really outdid the NDP. You had the biggest deficit in the history of the province. Here it is, I am reading—this is not my numbers—this is the budget document, \$766 million of a—

An Honourable Member: How many millions were for interest?

Mr. L. Evans: No, it is your deficit; it is not interest on the debt.

An Honourable Member: How many millions of that were for interest charges, Len?

Mr. L. Evans: Well, we will look it up, but that is not the significant factor, because the interest charges do not change that much from year to year. The big difference was the drop in revenue.

So you had this huge, humongous—

Some Honourable Members: Oh, oh.

Mr. L. Evans: Well, if you want to get talking about the debt again, nobody wants to have a lot of debt. Nobody wants to be burdened by debt, but every province has debt, every jurisdiction—

An Honourable Member: We do not want any.

Mr. L. Evans: Well, you will never get to the point—

An Honourable Member: Yes, we will. We have got a law that says we will.

Mr. L. Evans: I do not know of any jurisdiction in the western world that has not got some debt of some kind or other, because for one reason

you have debt for capital construction. I mean, normally you do, you do not pay a house off in one year, you amortize it over 25-35 years—

An Honourable Member: But once you pay it off, you do not have a mortgage.

Mr. L. Evans: No, but over a period of time you pay it. For all the protestations of the Minister of Education, the member for Brandon West (Mr. McCrae), you will see that the debt per capita has risen under this government. It was higher than when you took office from us. Now it has come down a little bit in the last couple of years, but it is still higher than when you took office from the NDP. It went up from what it was under the NDP. In fact, again, you can look at the budget—I am going back here a couple of years to look at 1988, '89, the net general purpose debt per capita was \$4,752 and in this particular budget, per capita debt is \$5,928. So in my books that is a hell of a big increase, that is a significant increase. One of the reasons it has increased is because you have had a lot of debt in your term of office.

Yes, I am not denying that there was an increase in debt under the NDP, but you cannot ignore the fact that you have had a significant amount under your jurisdiction. As a matter of fact, we have got it on a chart form here and you can see those bar tracks, the bars going down, that is the deficit, and you accumulate the deficit and you get the debt, which incidentally reminds me that I see that year '88-89. [interjection] Well, look, you have a lot of bars down there too. 1988-89, we did leave you for different reasons with a \$59-million surplus; \$59 million, but Clayton Manness took \$200 million out of revenue and put it into a fund, that is before we passed the legislation, that is before we passed the Fiscal Stabilization Fund legislation. That \$59 million, so instead of showing a bit of a surplus, he showed about \$140-odd million deficit.

But that money was put away in a fund, and the Auditor at the time, Mr. Jackson, I believe, criticized this, said this is phoney accounting, this is not true accounting. To this day the Provincial Auditor has difficulty with the way the Fiscal Stabilization Fund has been used and which confuses the bottom line. There is

absolutely no question about that, that the Fiscal Stabilization Fund confuses the bottom line. In fact it is to the point where in this budget it is quite obvious that the government of today does not have a surplus. It is not a surplus. You have taken a chunk of money from this fund. It is a savings account and \$180-odd million to cover some of your spending. Without that I think without that you would have had a sizeable deficit. I do not have the numbers in front of me. I think it is in the order of \$160-odd million.

You know, it is parallel to the situation of a business or corporation. You look at the end of the year, here are all your revenues, and then here are all your expenses. Then, oh, oh, you find you are spending more than your revenues. So the president of the company says, well, we have a nice fat savings account over here. We will take money out of savings and we will pretend it is revenue, current revenue, and, lo and behold, we can tell the shareholders we have made a profit. [interjection] But that is not what you did. You did what you did, and what you have, Madam Speaker, is this year you really have a deficit. I mean, I cannot think of a better way of putting it than to compare it with a private business. I mean, who in their right mind in private enterprise would say I have spent more than I have earned? So I will take money out of savings, and we will pretend it is revenue so we can tell the shareholders and the whole world that we made a profit when really they lost money in that year.

So, Madam Speaker, ever since this fund has been set up, it has been used in a way that reminds me of a shell game. Now you see it; now you do not. In fact, this was trailblazed, I think, under a former Social Credit government of British Columbia. They called it the budget stabilization fund, otherwise known as the BS fund. At any rate, this is what bothers people, and I think people see through it, that you do not have a surplus, you have a deficit on your current account.

You know, members opposite often talk in glowing terms about the balanced budget legislation, and I was, in fact, criticized the other day by the Minister of Finance (Mr. Gilleshammer) maybe or somebody saying I did

not believe in the balanced budget legislation and so on. I went on record and I think I had some support from at least one member on the other side saying that the balanced budget legislation is not necessary to balance budgets. I mean, any government can decide to balance a budget or to have a surplus if it chooses. I mean, you control your spending, you control your revenues to some extent, and you decide what you want to have. You do not have to put it in legislation. But that is a very "in" thing to do. It was good PR at the time. It was used for the election and it was used to your advantage. A lot of American states and some Canadian provinces have gone in for balanced budget legislation or whatever they call that legislation, but it is the same idea.

But what happens is that when you do get into tough times, you find the legislation is sort of constraining you, so you try to find ways of getting around it. That is what happens. You have seen a bit of this right now because in your desire to spend so much more money this year and still show a surplus, you have had to break your rule that you have established, your guideline, that 5 percent—[interjection] Well, okay, it is a guideline but it is part and parcel of what I am saying, and that is that when you get into—let us say your back is against the wall for whatever reason, so you start making adjustments and here is one example. I dare say that if we get to a situation where there is a weaker economy in the future and revenues fall off—no fault to the government I would say; it would not be the government's fault that there is a fall-off of revenue—then you have a deep problem.

* (1700)

At any rate, Madam Speaker, this business of whether we have a surplus or a deficit just does not have the meaning that it used to have. The bottom line you just cannot trust, you cannot trust. Even with the Stabilization Fund, of course, in years gone by, you still had a big deficit, like that one year, I was saying, '92-93, when you had a \$766-million deficit, the Minister of Finance at the time took \$200 million out of the fund and reduced it therefore to \$566 million, but that is still a pretty big deficit. Those are the realities. I do not why we

sit here and sort of try to fool one another with the realities, instead of facing the facts as they are.

The fact is that Manitoba is a great province. It is a wonderful province with wonderful people. We have lots of resources. We are nicely diversified and we are not too bad, but we are not the wealthiest province. We are not, unfortunately, like Alberta with all its oil or even Ontario with all its big industry and so on. We are not as wealthy. The reality is that the people of the province, and other provinces as well, want a lot of services from the government. They want more for health; they want more for education or social services or whatever it is. I say that as having 15 years in government, two different governments, people do want a lot from their government. Sometimes it is hard to meet all those requirements without raising taxes or without shifting monies around somehow, and it is a real challenge. I think this challenge is facing this government as well.

If we were wealthier, if we had more oil revenue and so on, we could maybe get by with fewer taxes as in Alberta with no sales tax, but at any rate we do have to pay our way. So there are some elements in the budget we cannot disagree with. I mean, I am pleased to finally see there has been a significant increase in health spending, not as big a percentage increase as the Minister of Health (Mr. Stefanson) would make us believe over last year, but it is still a significant increase.

I am disappointed in the insufficient increases for education. I believe there is more money, I realize that, but it is certainly not enough to help some of our public schools cope with their problems. I have talked to teachers and others. There is still a matter of insufficient monies for textbooks—they just do not have the money—or the classes getting much bigger than they perhaps should be. Therefore, there are a lot of problems out there in the education area. People are concerned about the cutbacks to the schools, and they are, of course, concerned about the shift that has taken place in taxes. So, while the government, your government, can claim that they have not increased taxes, the fact is in the overall there have been increases in taxes. There has been an increase in property taxes to

the average homeowner, because you eliminated the \$75 property tax credit. That was quite a significant increased burden on property taxpayers. So that is a reality.

Also, I might say at the same time, there was a lot of offloading of responsibility onto municipalities. I recall there were hundreds and hundreds of miles of provincial roads called PRs transferred from the province back to the municipalities. I do not think the municipalities necessarily wanted them because it costs money to maintain them, but there was that move. I remember, I think it was the member from Steinbach (Mr. Driedger), who was then the Minister of Highways, I know he was sort of apologetic about it, but that was one way of coping, of cutting spending. So there was this shift of costs to the municipalities. There were other services that the government used to provide for municipalities, and they were either cut out or there were charges levied.

Then, of course, there are all kinds of miscellaneous fees and charges levied on the people of Manitoba, everything from park fees to various kinds of licences. Nickel-and-dime type of things but still when you add up you are into millions of dollars. Fishing licences, park fees, building permits and so on, they have gone up dramatically.

When you look at Pharmacare, and you think of it in the terms of a cost to the average citizen who has to buy pharmaceuticals, there is no question. Especially for the middle-income earners, there is no question that there is an increased cost to them to purchase the drugs that their doctors think they should obtain for their own health. This is sad. You might say, well, they have a responsibility; they should pay for it all, and that should be the way it is. But the fact is that, when you increase the costs of drugs and some of the new drugs—and some of them are great drugs actually—are really expensive, a lot of people, as a result, may not be able to afford the additional costs of drugs because of the cutback in the assistance from the Department of Health through the Pharmacare program, the increased deductibility, and so on. There is a marginal group there that may not utilize their medication to the extent that they should and therefore suffer ill health on that account.

I recall once speaking to a senior member of a drug manufacturer. He was connected to Ayerst company actually in Brandon. We had a luncheon in keeping with an announcement by the Ayerst people. At any rate, he was, I think, from Montreal. He is one of their senior people. We were discussing this, and he agreed with me. It would be in the public interest to keep the cost of medicines as cheap as possible to ensure that citizens who require these drugs, as prescribed by their doctors, would use them and stay out of nursing homes and stay out of hospitals and so on. In the long run, we are all better off on that account. So that is regrettable, but that is like an increase in a fee.

Another example where a burden has been put on a lot of families and a lot of elderly in particular is the fact that the nursing home residential rates went to the moon, so to speak. I know in my own riding a couple of years ago the increase was so great that some of the residents, after they paid the rates out of their pensions or whatever they had, could qualify for provincial welfare. We had taken so much money from them, and I checked it out and, sure enough, they could qualify for provincial welfare. I wrote to these people and their families in the couple of nursing homes that I have in my riding, telling them that if you have had to pay the increased rates for your nursing home, if you are very short of funds, you should check it out with the administrator and just see where you stand. Believe it or not, there were some families who subsequently applied for provincial social assistance on behalf of the elderly or the handicapped people in the nursing home, their family members, because the government took so much away by way of the increased nursing home fee.

Madam Speaker, you have to consider all these things when you listen to the statement from members opposite: well, they have not had any big tax increases. The fact is that there has been this shift of a burden off of the shoulders of the provincial government onto the shoulders of municipal taxpayers and onto the shoulders of average citizens in this province.

Madam Speaker, I was talking about the economy and the significance of the economy to the provincial budget. I want to remark, as I did

before, we have been fortunate in having some buoyancy in our economy. Having said that, Manitoba is still not—

An Honourable Member: But you support this budget, right, Len? Just tell us: I support the budget.

* (1710)

Mr. L. Evans: There are some good things in it; there are some bad things in it. There are bad things in it; there are worse things.

At any rate, Madam Speaker, when we look at the economy, as I said, it has been better the last couple of years, but still we should not be complacent. We should not be that self-satisfied. I look, for instance, at the growth of jobs. I know we are always talking about job growth and how great it is and so on, but the fact is that I know this year, the first three or four months that we have, I think we rate 8 out of 10. We are near the bottom in terms of job growth, certainly below the national average.

When you go back to the early '90s when this government was in office—it had been in office a couple of years anyway—you see a drop in the level of jobs in this province. In 1990, there were 518,000 employed Manitobans. By 1991, this had dropped almost 13,000 to 505,600. Then the following year, 1992, it dropped again. It dropped another 7,600. It dropped from 505,600 to 498,000. So those are substantial drops. The following year it rose again, but it was still below what it was three years prior. So the fact is, as I explained earlier, if you have a recession in your economy, you have less revenues, and here it is reflected in the number of people working. So there was this substantial drop in the level of employment. While it has been better in the last couple of years, we should not be complacent. As I said, this year alone we are not up there at the top. We are, I think, second from the bottom; we are eight out of 10.

Then when you look at population, what is happening to the interprovincial migration of people, unfortunately, we continue to lose a lot of people. That is one thing where this government has outdone the previous NDP

government, and that is you have lost a lot more people under your administration than we have under our administration. That is something we should not be overly happy about, but the fact is under this government between '88 and '98, we have lost 67,000 people. That is a net loss, Madam Speaker, through interprovincial migration.

Because of this loss through the years, we, unfortunately, are shrinking as a percentage of the Canadian population pie. We used to be 4.11 percent of the Canadian population in 1988, and now we have dropped to 3.77 in 1998. So we are not keeping pace with the expansion of Canada's population as a whole, and there are all kinds of reasons for that. One main reason has to be the level of economic activity in this province compared with the level of economic activity in other provinces.

You know, there is something rather strange, well, sort of unusual, and that is the last four years we have been losing people to Saskatchewan on a net basis, not tens upon tens of thousands, but the last four years we have lost over 2,300 people to Saskatchewan. That says something to me, Madam Speaker, when we normally import people, if you will, from Saskatchewan, our sister province, the great sister province to the west of us. In the past four years, we have been exporting our people to that province.

Again, it goes back to the relative job opportunities. While you can have low unemployment, Madam Speaker, it does not mean that everybody around is engaged in great, high-paying jobs. As a matter of fact, our job market is characterized by an excessive number of low-paying jobs, and we have too many personal service type jobs that do not pay very well. So while some people might say, well, we have a lot of jobs here with a low unemployment rate, the fact is a lot of our people cannot take those jobs or will not take those jobs, and they go out of the province because it does not provide them with a decent standard of living.

What has been happening, Madam Speaker, unfortunately, is that the real wages in Manitoba have not been keeping pace. They have improved in the last couple of years, but, again,

comparing 1998 with 1988 when this government took office, the wage increase has not kept pace with the level of inflation. So in real purchasing power, real wages, there was actually a drop of \$11.98 a week in Manitoba whereas in Canada as a whole there was an increase, a 2.7 percent increase, of real earnings, \$12.57 per week. So we have lost nearly \$12 a week. Canadian workers have gained over \$12.50 a week, and because of that, the weekly earnings, the real weekly earnings in this province, have declined.

In 1988, we had 91.7 percent of the Canadian average. By 1998, we had slipped to 86.7. So what we have had is a decline in real wages which does reflect—there is no question about this—a lack of higher-paid jobs in the province. Unfortunately, the job growth we have had has tended to be mainly in the lower scale of the wage bracket. So, Madam Speaker, that is a fact that we should be concerned about.

The government is hoping for a great deal of economic growth again next year, and I know there are a lot of forecasts that are available from various agencies, from banks, financial organizations, and so on, but the government itself has indicated in its own document, a falloff in the rate of economic growth. Both in nominal and real terms, there is a table here—Outlook at a Glance, I think it is called—showing you the drop. In 1998, the nominal rate of growth was 3.0 percent, and for 1999 it is expected to drop to 2.4. If you look in real dollars, you see a similar drop, 3.4 to 2.4.

But there are other disturbing numbers in the document. They verify my research that investment is expected to decline this year, not only public investment but also private investment as a result. We have had a growth of investment in the past, I am not denying that, but this year we have got this serious growth. This is based on surveys done by Statistics Canada of businesses. This is not people rubbing a crystal ball like we do for the overall economic growth, these are businesses who are telling you whether or not they are going to put money into new plant and equipment. What they have said, in Manitoba they are not going to put as much so that we have got an overall decline of total investment of 9.3 percent. As a result, we rank

nine out of 10 among the Canadian provinces in terms of changes of investment activity.

When you look at private alone, it is even worse. The drop is expected to be 11.9. Again, we are rated second from the bottom of 10 provinces. And when you look specifically at manufacturing investment, there is a 22 percent decline being projected by those who fill out the survey forms, namely, the businesses themselves. Again we rank very low, being eight out of 10 provinces, which makes me question how valuable the manufacturing tax credit is. I know that we all like to give a lot of lip service anyway to the value of stimulating business through tax credits and so on, but this tax credit that we have, it is going to be increased. It was around last year, but it has not made any difference in terms of the level of investment spending including manufacturing investment spending, which would make me come to the conclusion—it would make anyone come to the conclusion—that that tax credit is really not very significant.

* (1720)

What is significant, Madam Speaker, and I have said this previously, is the demand for the output of goods and services of this province. You see this manufacturing investment tax credit extension is going to provide \$13 million in a full fiscal year. Well, with all due respect, I do not think this is going to make very much difference on the total. It may help one or two individual businesses—certainly you are always ready to take money if the government is ready to hand it out, I am sure—but at the same time, it is not going to affect the overall level of investment activity. Investment activity is very critical if you are talking about economic growth because this is one of the fundamental factors in economic growth. If you do not have investment, you cannot have growth, growth meaning new plant, new equipment, expansion of farm operations or whatever. So that is something of concern as well.

So I am suggesting that the budget itself and the documents in the budget itself makes me very concerned whether the revenue projections might be realized in the next year. If they are not realized in the next year, then the

government, whoever is government, is going to have big trouble because the revenues will not be there. I do not know what you are going to do to the rainy day fund, the Fiscal Stabilization Fund. I do not know whether there is going to be much to be taken out of that as well, but regardless, if you have insufficient revenue and unless you cut back on spending again, we are going to have another significant deficit as I maintain we have this year. I wonder, Madam Speaker, if you could tell me how much time I have left. Three minutes. Somebody said: too much. People do not like to hear the truth, Madam Speaker. I think the fact is, I think it is very sad that we want to delude ourselves sometimes with the reality. We glibly talk about, well, we will reduce taxes and that is going to cause economic growth. It might help but it is not the critical factor.

Madam Speaker, I talked about the decline of real wages. You can—and I know the rebuttal to that has been, well, let us look at disposal income, because that is more comprehensive, because that will include interest payments, dividends, et cetera. So we can do that, and I did that and I got a report. The latest report I could get show the years 1992 to 1998, and there I found that personal disposable income indeed did increase by 11 percent between 1992 and 1998. This is the total personal disposable income in the province of Manitoba, 11 percent. But, sadly, the rate of inflation exceeded the nominal growth rate. The rate of inflation was 13 percent, which means, as a result, the personal disposable income to the average Manitoban in 1998 was less than it was in 1992, and that is why a lot of people, you talk to a lot of average people, and they say they do not feel so well off. They feel that their standard of living has gone down. Well, there is an example or statistical measurement of that standard of living.

So they find that and they find too that they are paying so much more in income tax, and the reason of course—incidentally, we are going to be paying more in income tax this year. Even with the proposed tax reduction we are still going to be paying more collectively. The reason we pay more is what is called bracket creep. And I know we are tied into the federal system. It is called bracket creep. That is, the system is such

that it is going to collect more, so Mr. Martin is collecting more in spite of his tax relief and we are collecting more as well.

I just want to conclude, Madam Speaker, on one major comment. That is that this budget does not mean anything until it is brought into law through The Statute Law Amendment (Taxation) Act and, if the election should be called before that bill is passed, these changes have no legal impact whatsoever. It does not exist, they do not exist even if we pass the budget. If we pass the budget they are still not into law. You cannot reduce the income taxes until you have the legal authority to do so, which means passing The Statute Law Amendment (Taxation) Act by this Legislature.

So that is something we should realize, because essentially what we have got here is a document, an intention maybe, promises maybe, but it is nothing that can be actualized, nothing that can be realized until the legislation is passed and, as I said, if we do go into the election without it being passed, Manitobans do not have anything. They do not have anything concrete that they can look at. They will have to depend on what happens after the election and whether legislation is brought in to put into effect, whether it be the tax changes or indeed the spending estimates side, whether we are going to have the spending approved for health care or whatever. Thank you, Madam Speaker.

Mrs. Myrna Driedger (Charleswood): Madam Speaker, I am proud to stand in this House today and speak in response to the budget brought down by my government. I am proud to be a member of the government with such clear and logical priorities, a government deeply committed to Manitobans. This budget brings clear and tangible benefits to all sectors of our society and demonstrates that we value the contributions that every Manitoban makes to our province. Indeed, we want to foster an environment where the people of the province can continue to grow, develop, and succeed. Clearly this budget will help us accomplish that.

My professional background as a nurse and my most important role as a mother form my priorities as a member of this government. I can think of few areas as important as health care,

education, and services for families and children. My government shares these values.

Madam Speaker, this budget bears testament to this. We are making strategic investments in those areas that benefit Manitoba families the most. These investments are part of the plan and the vision of this government. Manitobans have repeatedly told us that health care is their foremost priority, and in this budget we have upheld our commitment to this vital social program.

I am proud to be able to tell the people of Charleswood, as well as all Manitoba residents, that this government has allocated an additional \$194 million to health care spending for this fiscal year. This is the largest single investment that any government in this province's history has made to health care.

As the legislative assistant to the Minister of Health (Mr. Stefanson), I defy any member opposite to stand and spout their rhetoric about how we are not committed to health care. In fact, I think they keep saying this because they are afraid that we are now achieving success in many areas of our health care plan. We have consistently made health care our top spending priority and are working to ensure the viability of the system in years to come. This perhaps is the most significant contribution we can make to the system, and, in fact, we will succeed. The structures, the people and the finances we need to do this are now in place.

Madam Speaker, the funds we announced for health care will be used to achieve our continuing goals of reducing waiting lists and improving access to medical and surgical services. Our continued prudent fiscal management has allowed us to keep making these investments in health care, to purchase necessary medical equipment and invest in health care facilities. In this budget, we have allocated \$5 million for the purchase of equipment such as CT scanners. We will give Manitobans improved access to diagnostic services. We have also given \$62 million to hospitals so that they can expand surgical procedures. We have already been achieving impressive results towards reducing waiting lists, and these funds will allow us to continue this work.

In the weeks before the budget was announced, we injected \$123 million into the system for the 1999-2000 health capital projects. This substantial investment will see new hospitals constructed and existing ones renovated or modified as required. We recognize that adequate and suitable buildings contribute to the smooth functioning of the entire system, and we will continue to keep their upkeep one of our priorities.

Madam Speaker, in addition to these important announcements, we are also earmarking funds to provide expanded options for community care. In this way we can ensure that health care services can be provided in the most logical and appropriate settings whenever possible. We will be expanding our primary care approaches, so that various care providers can provide services to Manitobans in a community setting.

Enhanced funding for home care is another component of this government's plan for health care, and, again, this year's budget allocates more funding for this increasingly important program; \$20.5 million in additional funding has been directed to home care, bringing our total funding to \$147 million. This will provide services for many, many more Manitobans in the coming year.

This, coupled with additional funding for long-term care, will ensure that our aging population is receiving the services and treatment they require in appropriate settings. These people do not need to be in the acute care wings of our hospitals, Madam Speaker. We are committed to providing them with high quality care in the settings best suited to their needs. This plan benefits all Manitobans, the elderly, their care providers and those in need of hospital services.

* (1730)

We will also work aggressively to recruit and retain nurses and doctors to ensure that there are adequate professionals to meet our health care needs. As a nurse myself, I am highly aware of the fundamental role these professionals play. Let there be no doubt about it, this government recognizes and values the contributions which

nurses, doctors, and other health care specialists make to our system.

While health care is our top priority, this government is also committed to making investments to other areas which enrich the human potential in this province. I know that initiatives for families and children do much to strengthen and enhance the quality of life for many Manitobans. This budget will see us allocate more money to Family Services. To help ensure that children have a healthy and stimulating start to their lives, \$25 million will be devoted to preventative programs for families, giving parents the support they need to raise strong, healthy, and happy children.

We will continue our efforts to prevent fetal alcohol syndrome, which is the leading cause of preventable birth defects in Canada. At-risk women are being targeted and are being linked with appropriate resources and supports. Funds will be given to facilitate resource and information sharing between health care practitioners.

Madam Speaker, this budget also sees half a million dollars going to the Ma Mawi Centre, aimed at assisting at-risk adolescent mothers and their children. This project will help these young women develop parenting skills to prepare themselves for the most significant task of their lives—motherhood.

We will also continue the BabyFirst initiative, providing an additional \$1.1 million for its operation. EarlyStart will be expanded. These programs are prime examples of our preventative approach to early childhood development.

This government believes that the best way to create strong Manitobans is to address obstacles in children's development when they are still at a correctable stage. It is not the government's policy to sit back, let problems spiral out of control, and contemplate fixing them when it is too late. We respect our young people too much to do this to them.

Our approach to education is similar, Madam Speaker, stressing preventative methods and focusing on that which is truly important.

With a budget now totalling \$779 million, Education and Training is this government's second-highest spending priority. We have allocated \$1.9 million in additional resources to the Early Literacy Program to ensure that Grade 1 students grasp this important cornerstone of education. Two thousand Grade 1 students have already been well served by this program.

Madam Speaker, if our children do not learn how to read at an early age, they fall behind and slip through the cracks of our education system. Some may never live up to their potential. We do not want to see this happen. We want all young people to have the chance to make the most of their education. That is why we have given the education system \$2 million to work with children with emotional and behavioural problems. We have also introduced generous measures for children with speech, language and audiology disorders.

Many of the problems which can adversely affect a child's success in their school career are reversible if they are detected and addressed at an early stage. These initiatives, which I have mentioned, show my government's commitment to giving all children every opportunity to thrive and flourish in their early years' education.

The quality of our children's education will be further enhanced by our commitment to renew and enhance the education system. This budget sees \$3.2 million for curriculum development, standards development, piloting, and evaluation. We will continue to focus on the basics: math, language arts and science. We will continue to test students' performance and monitor their progress. Why, Madam Speaker, would we allow correctable learning problems to go unchecked?

Madam Speaker, we will also ensure that children learn how to use the information technology that is becoming increasingly important in our society. The information technology grant has been increased from \$10 per pupil to \$40 per pupil. We also want to give educators enhanced opportunities for their own progress, so we have devoted \$900,000 for professional development and training.

Madam Speaker, I can think of little else that equips our children for future success and fulfilment like a solid and extensive education. K to 12 schooling gives our young people the fundamentals, but it is no longer enough to enable them to seize new and exciting opportunities. This government recognizes the importance of university and college training and is committed to providing support to these institutions and these students. This year, \$339 million has been directed towards supporting post-secondary education in this province. To facilitate access, we will consider implementing caps on tuition fee increases when universities propose unacceptable hikes. We want to see all young people have access to a high quality, yet reasonably priced education.

This government has put a number of measures in place to make the post-secondary education system in Manitoba affordable and appealing to our young people. The Manitoba Learning Tax Credit will save Manitoba students and their families \$15 million in the coming year. We have contributed \$25 million over five years to a scholarship and bursary matching fund. To further ease the burden on students, our 1999-2000 budget will devote \$8.7 million to support student loans and bursaries and \$2.2 million will be directed to our interest relief and debt reduction programs.

Safe and appropriate educational facilities are also an important component in education. The University of Manitoba is set to complete construction of a new nursing building this summer. We are proud to act as a partner with the University of Manitoba in completing this project, which will house an expanded nursing program.

We also provided funding to the University of Winnipeg to help them finance the purchase of the Citadel building. This will be the new home of their renowned theatre and drama program.

Madam Speaker, Manitobans know that the best way to ensure continued investment in highly meaningful areas like health and education is to exercise fiscal responsibility and leadership right now. Setting our fiscal house in order has freed us from the stranglehold of debt

and given us the freedom to decide where we need to allocate our resources.

Madam Speaker, this budget not only reflects our values, it also reflects the important priorities of the people of this province. We engaged in extensive prebudget consultations throughout Manitoba and listened as taxpayers told us what they considered important. This government is mindful of who we work for. We are here for the people. They are the only special interest we have.

Public input is important to us and guides us as we make spending decisions. People consistently identify health care and education as significant priorities, but they also indicated a desire for lower taxes and a more fair and competitive overall tax scheme.

We are proud to announce a further reduction in the personal income tax, reducing it to 47 percent. We have reduced the income tax by five points in three years. The small business income tax rate will be reduced to 5 percent from 9 percent by the year 2002. This will save Manitoba businesses \$24 million a year when it is fully implemented.

Reducing taxes not only benefits individual families, it benefits the province as a whole. Lower taxes make Manitoba more attractive to business and investors.

Madam Speaker, if we do not continue to foster the proper environment for business and investment, we will not have the resources with which to invest in our citizens, all the astounding prosperity enjoyed by this province in recent years will all be for not. My government is the only one which can ensure the financial success of this province.

* (1740)

Madam Speaker, the honourable member for Concordia (Mr. Doer) has stated publicly that he supports fiscal responsibility, even though he and his colleagues vehemently oppose balanced budget legislation. As we all know, even if the Leader of the Opposition (Mr. Doer) is genuine in his beliefs about fiscal management, which is suspect, we know for a fact that not all of the

members opposite are. Some of them have been quoted in the newspaper as saying that—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. I am experiencing difficulty hearing the honourable member for Charleswood.

Mrs. Driedger: Some members opposite have been quoted in the newspaper as saying that balanced budgets are bad for Manitoba families. How do they figure this, Madam Speaker? Is it because of the jobs they create or the options that they give the government? Is it because balanced budgets free our children from the burden of debt, a debt that costs us more than \$130,000 each and every day in interest payments?

Imagine how many nurses we could hire if we did not have to pay for the debt that members opposite accumulated in six short years. In fact, I lay the current nursing shortage at the feet of the members opposite. Can the new NDP be trusted? I do not think so. Ironically, they describe every positive thing that this government has done as a cynical pre-election ploy. How do they describe changing their party philosophy and platform in a crass attempt to appeal to the electorate? This shows that they want only to attain power for power's sake. They have no plan and no vision. There is no plan and vision across the floor. The only contribution that members opposite make to Manitoba politics is to breed negativity amongst the public. Manitobans deserve a better option than this.

Budgets are perhaps the most fundamental element of the operations of government, for they provide us with a means with which to carry out our endeavours. Madam Speaker, without responsible stewardship of this province's financial resources, we would not be able to continually support important social programs and other ventures.

If we try to do everything, then, ultimately, we will be unable to do anything. Government does not have an open-ended bank account, so we must prioritize and focus on what government should do and is reasonably able to

do. To this government, that means focusing on health care, education, justice, family services and job creation. This is what we do best, and it is these areas which bring the greatest benefits to all Manitobans.

Madam Speaker, deciding government priorities and recognizing that we cannot be all things to all people takes decisive leadership. This budget proves that we are able to offer this to the people of Manitoba. Five consecutive balanced budgets is an accomplishment in which my colleagues and I should take tremendous pride. We will continue to exercise a financial responsibility which has pulled this province away from fiscal despair and has turned Manitoba into a true success story.

Madam Speaker, as far as I am concerned, if members opposite are unhappy with our budget, then we must be doing something right. I am pleased that this government's approach to fiscal management differs from that of members opposite. We have seen how the NDP approach has led normally prosperous provinces like B.C. and Ontario to financial ruin after one term of government.

This government knows how to lead and how to manage, and we will continue to do both. We will lead this great province into the coming millennium with pride and success. Thank you, Madam Speaker.

Madam Speaker: The honourable member for Broadway.

An Honourable Member: The future MLA for Wellington.

Mr. Conrad Santos (Broadway): Madam Speaker, well, the member from—my MLA.

An Honourable Member: You got it.

Mr. Santos: I never speak ahead of time. You cannot say what happens tomorrow until tomorrow has come. You cannot cross the bridge unless you are on the bridge, so it would be presumptuous of us to talk about the future as if it were the present.

Now, the question is: will this budget pave the road to election victory? If we judge a book by its cover and say that because the cover is beautiful, the content is good, then you will say, yes; but if you look at the book and then read the contents and find the implications of the contents of the book, then you can make your judgment better.

The Greek philosopher Plato said: Life is just an illusion. It is not exactly what you see that is in there. Yes, sometimes you are deceived by the sight of things. The question is: is reality just an illusion? Is it a conception of our impression, a reaction of our senses to the facts as we look at it?

We often act on the basis of our reaction to real things, the real nature of things without really thinking about the true essence of our being and our existence. We are only human, and as human beings, we can make mistakes. When we make mistakes, sometimes we do not even know that we are making mistakes.

An Honourable Member: Conrad, are you voting for the budget or against the budget?

Mr. Santos: I will reserve that at the end of the speech.

A tree is known by its fruits. If the tree is good, then the fruit will be good; if the tree is not so good, then the fruits will not be so good. So we judge government not by what they say, but what they do. We judge government not exactly by the appearance of what they do, because they may be motivated by good intentions, but if the effect on the recipient of the action is worse, and people do not believe what the government is doing is sincere and true, then the people will judge their own government.

* (1750)

Are the people in this province generally happy today or are they critical of this government? I have been in the streets, I have been talking to people. I asked them: what is your attitude? They said, oh, I am just waiting for them to call the election; it is just a good time to get rid of them. If that is an indication of the general attitude—

An Honourable Member: That is not what the people are telling me.

Mr. Santos: Well, maybe it depends where you are talking. If you are in River Heights, maybe it is different, but if you are in the north end, maybe the attitude is different. So it depends whether the people perceive themselves as benefiting from the policies and practices of this government or whether or not they are being forced to bear the burden of all these grants and benefits that they give to the most frivolous class in our province.

Therefore, I would rather talk analytically and say that a good government should base its policies and decisions not on the desires and wants of certain groups and people, but on the basis of their needs; not on the basis of short-run political periods of a four-year cycle, but on the basis of long-range goals and objectives of our province.

I would say that the collective interest of every Manitoban should prevail higher than any special interest of any special groups, because if we prepare and gear our policy as government for the benefit of only certain groups in society, then we are not being true to our mandate as the stewards of all the people of this province.

If we cut social services the first two or three years of our mandate in the political cycle in order to accumulate enough savings and then put that into the Fiscal Stabilization Fund, and then spend all the time like a wild drunk sailor who is about to leave the shore, then the people will not believe us.

Madam Speaker, The budget is primarily a political instrument.

An Honourable Member: No.

Mr. Santos: Madam Speaker, yes, it is primarily a political instrument. No matter what we say, it is the political allocation of the resources of the province to the various competing claimants—groups, interest groups, as well as individuals—and the question of who gets what, where, how and when.

If we behave like a moral government with the interest of all the people at heart, and if we base our political allocations on the basis of the needs of people rather than on their greediness and their desires, then we will turn out to be a good government. If we give our political allocation and resources on the basis of the most powerful group who already enjoy the benefits of our society, the more they get, the more they want and the more we give. At whose expense? We should always ask the question.

When allocations are made, who is benefiting from such allocations and at whose expense? Who is bearing the burden of all these allocations? It is a basic principle of universal justice. Whoever gets the benefit should get the burden. Cujos est comodum ejus est onus. If all you get are benefits and all the burden is on the back of the sick, on the back of the poor, on the back of the deprived, if you want to save money and feed our patients who have laboured hard to preserve this country with frozen food that you yourself cannot eat, is that a good policy? Who is bearing the burden of all these grants to all your friends in the privileged class?

All these people who had suffered for this country and who had contributed their lives, who fought the war in order to preserve our freedom, and now you are depriving them of even the joy of eating in their last moment of their days. That is not at all justifiable. It is not good policy. It is expediency in the short run, and people will not forget. People will judge their government accordingly.

It is like somebody who is like a seller who gets enough money, and then he went to the shore and then he could enjoy. Of course, before he can accumulate that money, he will have to deprive himself of all this joy in life. So probably he will have enough savings. He cut his expenditures. He cut his activities. He cut everything, so he can have enough savings. And then we know that his time is limited and that the ship will have to go and have no more time there, he will be spending all his money like a drunken sailor.

This is this government. They are spending all the savings supposedly for rainy days in order

to win an election, a short-term, expedient objective.

Even assuming that the economy is humming and is good, that does not assure that there will be a political victory for a government in power. History has confirmed that. In the U.K., when Major was the candidate for the premier of the U.K., the economy was in good shape, but the people were dissatisfied. So the economy, even if it is in good shape, yet the people do not trust their government anymore, the people will toss you out.

No party is perfect. No political grouping can be said to act without any mistakes. It is just a question of what is the motivation behind the action. Every political party is just a coalition of different interest groups, so that the coalition will be enough to win a majority, to be in government. If a political party is dominated by one particular, specific interest group, and that particular, specific group dictates all the policies of the political party, whether in or out of government, that party will not stay in power or even win power because there should be enough exchanges and compromises so that all claimants to this resource allocation can be satisfied. But if some groups are basically deprived completely of such benefits in the political allocation of resources, then such groups will be dissatisfied. Then the dissatisfied groups will join the opposition, and then what is the majority now will become the minority. That is the nature of the genius of our system.

So unless the party in power which runs the government is able to deliver equitable, just, impersonal kinds of services to the people who need them most, that government will be suspect because they will be catering only to their friends, to the interest group that favours them, that supports them, to the most vehement and ardent and passionate supporter of their cause, yet depriving the majority of the people of basic government services.

I say any government that fired 1,100 nurses and then later on said we are going to hire 700

nurses created a problem first and then tried to solve it and show that they are solving the problem. But the people will not believe them. This is just one example of how we try to say that we are trying to remedy the problem, but really we are not, especially if we have broken our promises before.

If you have a son or a daughter who told you that he or she spent their allocated money—you give an allowance to your children. Then the child says, oh, I spent it for food; I spent it for drinks; I went to McDonald's, but actually after an investigation you found that he did not really spend it in terms of his needs, but he squandered it away with his friends, and he gave it away without any exchange in value, you would be angry as a parent, as a steward of the welfare of your child.

The same thing with the people. The people are watching all the time. They watch the government, what they do. The first two or three years of being in power, they cut services, they try to save money, they try to say this is now the most efficient way of doing it; we are going to cut these services.

An example of this, when you imposed the new regulation that sight inspection can no longer be available until after the expiration of two years for an eye examination and you have to pay \$50 to go to a doctor to have your eyes examined, are you really solving the problem or aggravating it? In the name of saving a little bit of money, you deprive people of eye examinations as a service that is essential for the health and welfare of all the citizens.

Madam Speaker: Order, please. When this matter is again before the House, the honourable member for Broadway (Mr. Santos) will have 25 minutes remaining.

The hour being 6 p.m., this House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Tuesday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 3, 1999

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