

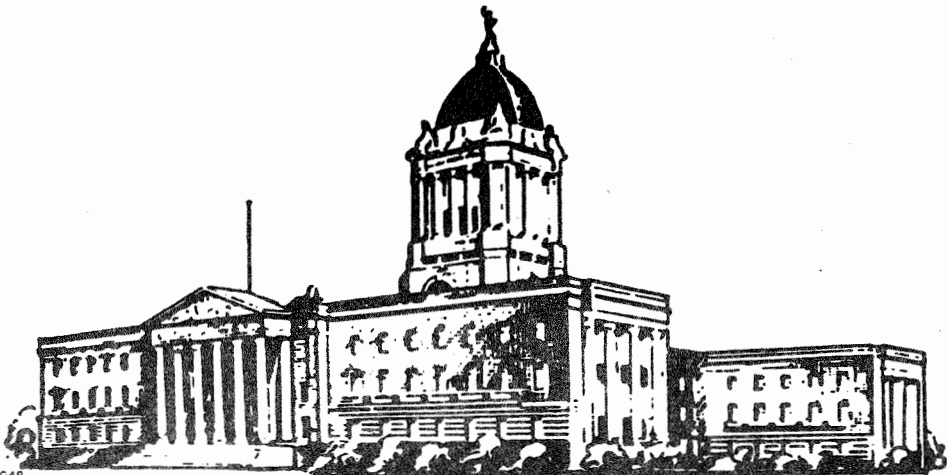


Second Session — Thirty-Second Legislature
of the
Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

31-32 Elizabeth II

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The Honourable D. James Walding
Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Second Legislature

Members, Constituencies and Political Affiliation

Name	Constituency	Party
ADAM, Hon. A.R. (Pete)	Ste. Rose	NDP
ANSTETT, Andy	Springfield	NDP
ASHTON, Steve	Thompson	NDP
BANMAN, Robert (Bob)	La Verendrye	PC
BLAKE, David R. (Dave)	Minnedosa	PC
BROWN, Arnold	Rhineland	PC
BUCKLASCHUK, John M.	Gimli	NDP
CARROLL, Q.C., Henry N.	Brandon West	IND
CORRIN, Brian	Ellice	NDP
COWAN, Hon. Jay	Churchill	NDP
DESJARDINS, Hon. Laurent	St. Boniface	NDP
DODICK, Doreen	Riel	NDP
DOERN, Russell	Elmwood	NDP
DOLIN, Mary Beth	Kildonan	NDP
DOWNEY, James E.	Arthur	PC
DRIEDGER, Albert	Emerson	PC
ENNS, Harry	Lakeside	PC
EVANS, Hon. Leonard S.	Brandon East	NDP
EYLER, Phil	River East	NDP
FILMON, Gary	Tuxedo	PC
FOX, Peter	Concordia	NDP
GOURLAY, D.M. (Doug)	Swan River	PC
GRAHAM, Harry	Virden	PC
HAMMOND, Gerrie	Kirkfield Park	PC
HARAPIAK, Harry M.	The Pas	NDP
HARPER, Elijah	Rupertsland	NDP
HEMPHILL, Hon. Maureen	Logan	NDP
HYDE, Lloyd	Portage la Prairie	PC
JOHNSTON, J. Frank	Sturgeon Creek	PC
KOSTYRA, Hon. Eugene	Seven Oaks	NDP
KOVNATS, Abe	Niakwa	PC
LECUYER, Gérard	Radisson	NDP
LYON, Q.C., Hon. Sterling	Charleswood	PC
MACKLING, Q.C., Hon. Al	St. James	NDP
MALINOWSKI, Donald M.	St. Johns	NDP
MANNES, Clayton	Morris	PC
McKENZIE, J. Wally	Roblin-Russell	PC
MERCIER, Q.C., G.W.J. (Gerry)	St. Norbert	PC
NORDMAN, Rurik (Ric)	Assiniboia	PC
OLESON, Charlotte	Gladstone	PC
ORCHARD, Donald	Pembina	PC
PAWLEY, Q.C., Hon. Howard R.	Selkirk	NDP
PARASIUK, Hon. Wilson	Transcona	NDP
PENNER, Q.C., Hon. Roland	Fort Rouge	NDP
PHILLIPS, Myrna A.	Wolseley	NDP
PLOHMAN, John	Dauphin	NDP
RANSOM, A. Brian	Turtle Mountain	PC
SANTOS, Conrad	Burrows	NDP
SCHROEDER, Hon. Vic	Rossmere	NDP
SCOTT, Don	Inkster	NDP
SHERMAN, L.R. (Bud)	Fort Garry	PC
SMITH, Hon. Muriel	Osborne	NDP
STEEN, Warren	River Heights	PC
STORIE, Jerry T.	Flin Flon	NDP
URUSKI, Hon. Bill	Interlake	NDP
USKIW, Hon. Samuel	Lac du Bonnet	NDP
WALDING, Hon. D. James	St. Vital	NDP

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 7 March, 1983.

Time — 8:00 p.m.

BUDGET DEBATE

MR. SPEAKER, Hon. J. Walding: Order please. On the proposed motion of the Honourable Minister of Finance and the amendment thereto proposed by the Honourable Leader of the Opposition.

The Honourable Member for Niakwa has 30 minutes remaining.

MR. A. KOVNATS: Thank you, Mr. Speaker. Just before the adjournment I was just prepared to go into a long discussion on how great a respect I had for the Honourable Minister of Health. I think I would like to carry on even though it might appear to be out of context now because I had really set up the discussion a little earlier, but I think the Honourable Minister of Health would like to hear some of the words and I feel a little embarrassed, Mr. Speaker, that I don't have the little extra that the Honourable First Minister has when he gets up to speak, but I'll do my best to speak with what I have here.

I had mentioned that I thought during the reports I had received from the NDP Convention and where the Honourable Minister of Health had got up and made a stand on his feelings towards abortion and whether the party would support his particular feelings, I had to support the remarks that allegedly had been made to him with all my heart. I feel very strongly towards some of the feelings that he had expressed concerning his anti-feelings on abortion and I support those very well. But the only other thing that I could say, I've got to be a little bit sad inasmuch as he wasn't strong enough in his feelings where he allowed the people who were against or in favour of abortion to have their say. I think that, sure, it's a free country and we all have our chance to speak on whatever we wish, but I think the Honourable Minister should have been a little bit stronger and supported the things that we support privately; we should have made public and been very strong in condemning some of the things that might come out of this abortion clinic that Dr. Morgentaler has suggested. In fact, I would say that the Honourable Minister and all of the government should take a stronger stand on the possibilities. — (Interjection) —

MR. SPEAKER: Order please.

MR. A. KOVNATS: I don't know, I thought I did a good job on your eye but it seems to getting better and I won't go after the other one right at this point. But, Mr. Speaker, I think that when somebody threatens the government, of which I am part of this government, even though I'm in opposition, I think that we have got to stand up and take a stand against anybody who threatens this government. These are the people who represent all of the people of the Province of Manitoba, and for somebody to threaten and say, I'm going to come in and I am going to do this, even though it might

be illegal, a stand has to be taken, and I think that these people have fallen down on their responsibilities and not taken a stand.

I would like to speak a little bit on education and I thank the Honourable Minister of Education for being here to hear some of the remarks that I am about to make on education. As a matter of fact, je vais vous donner mon discours en français partiel. I am going to, je vais vous parler en français. Si tu me comprends, bien. Si tu ne me comprends pas, bien aussi.

J'ai reçu plusieurs lettres de parents qui ont des enfants inscrits dans des écoles privées. Ces parents ne sont pas les riches, ils ne sont pas seulement d'une religion où d'un groupe ethnique particulier. Ces Manitobains devraient avoir la liberté de choix pour l'éducation de leurs enfants et une partie de leurs taxes scolaires devrait aller au support de ces écoles. Après je parle en anglais so you'll be able to understand what I have said. J'ai un problème parce que je suis un nouveau étudiant en français, mais I will carry on.

Je ne crois pas qu'il y a un besoin à present pour un support égal aux écoles publiques, mais, il y a un besoin pour un montant de support plus équitable. Ce n'est pas le temps de ramener toutes les indiscretions du passé, il faut penser à maintenant et au futur. Ce n'est pas important qui recevra le credit pour cette aide. Ceux qui recevront les avantages de cette aide seront surtout les jeunes qui vont à ces écoles, les jeunes qui sont le futur de cette province.

Si nous n'augmentons pas l'aide à ces écoles j'en connais au moins quatre qui seront obligées de fermer leurs portes. Tres tôt. La responsabilité pour ces élèves deviendra en grande partie celle du système public et les frais augmenteront en proportion.

Wait, you will get it all in English very shortly.

Il faut garder en vue que dans ces écoles il y a un héritage riche qui est transmis aux élèves, un héritage unique qui souvent n'est pas possible dans nos écoles publiques. Les parents de ces élèves, nos frères manitobains doivent retenir la liberté de choix pour l'éducation de leurs enfants.

(Translation)

I shall make part of my speech in French. I am going to speak to you in French. If you can understand me, fine. If you cannot understand me, that is fine too.

I have received several letters from parents who have their children enrolled in private schools. These parents are not wealthy, nor are they from only one specific religious or ethnic group. These Manitobans should have the freedom of choice in the education of their children and a portion of their school taxes should go towards the support of these schools. I shall speak in English later so that you'll be able to understand what I have said. I have a problem since I a new student of French, but I will carry on.

I do not believe there is a need at present for support equal to that for public schools, however there is a need for a more equitable amount of support. This is not the time to recall all the indiscretions of the past,

but rather to think of the present and of the future. It is not important who will receive the credit for this assistance. Those who will receive the benefit of this assistance are the young people who go to these schools; the youth who are the future of this province.

If we do not increase assistance for these schools, I know of at least four which will be forced to close their doors - very soon. Responsibility for these pupils will become, in large measure, that of the public system and expenses will increase proportionately.

We must remember that these schools pass on a rich heritage to their pupils; a unique heritage which often cannot be made available in the public schools. Parents of these pupils, our own fellow Manitobans, should retain the freedom of choice as regards the education of their children.

(End of Translation)

That's all your going to get in French at this point. I've got a few verbs and a few sentences here, but I don't think that I will give you anymore because at this point there's no advantage to do so. I think that I have expressed myself in the language of Molière which is a beautiful language and I might not be able to handle it as well as some others but I have tried because it is, as I mentioned, a beautiful language.

I did say that I think that there should be additional help to private schools. The additional help - I'm not looking for equality, that's not what the people of private schools and the parents of the children that send their children to private schools want; they don't want complete equality. Sure that's the ultimate goal, but at this point they are nowhere near equal to what happens to funding of public schools. We are, I would think about 25 percent of the funding, about, and I think that it is very, very unfair. I think that what these people want is a fairer share. They're not looking for an equal share, a fairer share is what they want and I know that the public school system is based on complete working together of the public school system. It takes away whenever you break into the public school system by having the private schools, you have immersion classes. This all takes away from the public schools and we know that, but I think that we've got to give some freedom of choice to those people who want to go into the immersion program and into the private school program. We've got to give them that consideration, and the consideration that we've given them. Let's not go back into the past and say well, the other group didn't do it and the group before them didn't do it. We are living today; today is when they need the help. I've received letters - and I believe them to be true - where I've been told that these schools will not be able to survive without help from government funding. We have people here who support that and I'm the only one who has got up and said anything in the Legislature.

My colleague from Tuxedo has also said something and he's been condemned from the Honourable Deputy Speaker for making some remarks about aid to private schools. This isn't fair. Let's try to be fair, that's all we ask. I'm not going to point a finger and say get off your seat - I should but I won't - because there are people in this House who support aid to private schools. I know there's one sitting right there and I accept that but we don't get up, we don't say anything and we

don't really do anything about it. All we do is give them lip service and that's not enough. We can't just sit back and give them lip service, we've got to do more than that. I know some people who have been in the public school system have got an antiprivate school system feeling and I understand why. But try to live with one another and let's try to see that these people get the help that they deserve and we hope that they will get.

I really don't have that much more to say. I know the Premier is going to be making a few remarks and I don't mean to take away any of his time because I know that he is prepared to carry on as soon as I am finished, but . . .

MR. D. SCOTT: It's a tough act to follow, Howard.

MR. A. KOVNATS: . . . just before passing I've got to say how disturbed I am in something that has been all my life, to follow rules. I used to referee professional football and I'm not going to ram it down your throat because you all know that. I had to make decisions . . .

MR. D. SCOTT: Good referee, too.

MR. A. KOVNATS: . . . when I refereed professional football. Those decisions were not influenced by anybody. Whenever I went out on the field if I made a mistake nobody came to me and said, you can't make that mistake or you've made a mistake, you've got to change and do whatever it is, nobody tried to influence me. I did what I thought was right and I'm very very embarrassed - and I can't make an accusation because I don't know it to be true - but the influence of some people that they might have had on the Speaker has caused such problems in this Legislature. I hope that I am wrong, I pray to God that I am wrong, but I have a funny feeling that there was an influence on the Speaker and if there was - and I'm not saying that there was - if there was . . .

MR. SPEAKER: Order please. I trust the honourable member is not referring to a matter which has been discussed and disposed of by this House in this Session. The Honourable Member for Niakwa.

MR. A. KOVNATS: I certainly wasn't referring to any matters that were disposed of. I was just referring to myself as being an ex-football referee and that my life revolved around not having any undue influence on my life and I hope that the Honourable Speaker didn't think that I was making any reflections on a decision that was made in this House. Even it might have been so I really wasn't making any reference to previous things that happened the House, but if I was, I apologize, Mr. Speaker, because I have no reason to reflect on any decision.

I would hope that the honourable members would support the Speaker. If I've anything to add that would be of any contribution to this House, I would certainly get up in my place and state whatever I could if the Speaker wasn't able to speak for himself; I know that I would do so. That's no reflection on anything that's happened here in the House before.

Mr. Speaker, I would just come up with a little more français, where I say, travaillez ensemble, which means,

let us work together. I think that we've got to do so for the future of this province. I've got many, many expressions, like j'en ai assez - I've had enough; tu m'énerves - you bother me, things of that nature. These are all things that I just learned in school. This is the only opportunity I've got of being able to express myself. Sois brave - be brave. I thought that I was speaking to people who would me comprendre. Où est l'échelle?

A MEMBER: Where is the ladder.

MR. A. KOVNATS: Beautiful. It has nothing to do with the conversation, but where is the ladder?

SOME HONOURABLE MEMBERS: Oh, Oh!

MR. A. KOVNATS: Just before I sit down and allow the Premier of the Province to make his few remarks, and I hope they're very few, there was one thing that bothered me. Over the supper hour, another thing that bothered me, is that there's been no mention of a Junior A hockey team out of Winkler, called the Winkler Flyers, who went into the Premier's area and beat the Selkirk Steelers in the Junior A hockey semifinals. The Premier doesn't seem to get up; he's not too proud of his team, but I would hope that he would make some remark, even though his team got beat because I think Selkirk is going to have a long, long time before they start winning anything. I think they've lost the Junior A hockey finals; I think they'll lose the next election in that area. I hope not, because the Premier is a good representative in that area, but maybe it'll happen.

The nice part about it is that this Winkler team is going into Dauphin and they're going to beat Dauphin.

A MEMBER: It's Winkler's year.

MR. A. KOVNATS: It's Winkler's year, that's right, and for the next two or three years, particularly when it comes time for an election.

A MEMBER: It might be their year, but we're having a saliva test.

MR. A. KOVNATS: Not too much more, but I've got to work in these French phrases that I know. The honourable members on the government side think that they're going to win the next election. "Jamais dans cent ans," and in saying never in a hundred years, I'll close, Mr. Speaker.

Thank you very much.

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, before beginning my remarks I would like to congratulate our new Clerk. I did not know our new Clerk previously, but in the last few days I've certainly been impressed by his attendance to duties and of course I also have always had the highest of respect for our Deputy Clerk and I wish them both well.

Before commencing my remarks, I don't intend to comment on some of the recent disturbances in this Chamber.

The Provincial Budget and the Estimates were tabled together for the first time in some 20 years in order

to give Manitobans the opportunity to not only receive the Budget but also to receive information as to how their monies that are being raised are to be spent.

Mr. Speaker, it was a bold move, a move that was, as I indicated, is the first time undertaken in some 20 years. It's a move indeed of a government that is prepared, Mr. Speaker, to lead with all the information, at all the time, so all the Manitobans can see just what plans are in process. Secondly, Mr. Speaker, there have been no comments across the way - which surprises me to some extent - that this administration tabled the first Budget of any administration in this calendar year 1983, the first administration of 11 administrations in Canada to table its Budget so early in the calendar year, again a bold move on the part of a government that's prepared to undertake the initiative, to take the lead in respect to economic and financial policies.

Mr. Speaker, this was a very important Budget and Manitobans know that the economic situation is one of extreme importance. It is regrettable, Mr. Speaker, that there has not been as much discussion as one would have anticipated as to the specifics of the Budget itself. It is regrettable, Mr. Speaker, that we have not had a more accurate reflection of the details of this Budget on the part of members across the way. We received some this afternoon, Mr. Speaker, but we have been waiting - what is it - some seven days to receive any comment of any detailed nature pertaining to the Budget that was tabled in this Chamber by the Minister of Finance.

Mr. Speaker, I do not intend to repeat the error of engaging lengthy navel-gazing exchange about the applications of the rules of procedure as indeed it appears is the practice of some members across the way in this Chamber because, Mr. Speaker, when tens of thousands of Manitobans want to work and cannot find jobs it just does not seem to me to be the matter of top priority in the Province of Manitoba at this time.

Mr. Speaker, there was a third aspect beside the fact that the Budget and the Estimates were tabled together; the fact that we were the first government to lead by way of introduction of Budget in this the calendar year, 1983; there was a third aspect of this Budget that is important and that is that the Minister of Finance for the first time - for the first time in Manitoba - the Minister of Finance travelled the province to Thompson, to Brandon, other centres, in order to consult with the farmers, with labour, with business, with other groups in the Province of Manitoba. For the first time, Mr. Speaker, in the history of Manitoba, a Finance Minister openly consulted with the people of the Province of Manitoba to receive their input insofar as the contents of the Budget.

Mr. Speaker, as a result of those consultations, the views of tens of thousands of Manitobans were expressed through the Minister of Finance to the Caucus and to the Cabinet of this government so that their views could be taken into consideration in the formulation of this Budget. Mr. Speaker, that is a first insofar as Manitoba practice is concerned.

Mr. Speaker, I want to thank the Minister of Finance and I regret that he is unable to be present simply due to the fact that he was attending his duties and attending a minute meeting of Ministers of Finance today in Ottawa, but I want to congratulate and want to thank the Minister of Finance for undertaking this initiative on behalf of Manitobans in our province.

MR. A. DRIEDGER: What were the results?

HON. H. PAWLEY: The Minister of Finance, Mr. Speaker, demonstrated a quality which is essential to the spirit of Manitobans and to the tradition of Manitoba, the spirit of co-operation, the spirit of Manitobans accepting collective responsibility for the economic and financial problems confronting them. Mr. Speaker, it was that kind of collective responsibility that we noted in the Economic Summit Conference in Portage la Prairie. Mr. Speaker, I believe too, that this may very well have been a first.

When the leadership of labour, of the business community and of government were able to come together and to share their views as to where Manitoba is presently, what are some of the routes that should be followed insofar as Manitoba is concerned in the future and to continue to work together in order to share those views subsequent to that conference, Mr. Speaker, that summit conference in Manitoba, labour, business and government, I believe is certainly a first in Manitoba. I suspect very strongly that such a conference could not have taken place anywhere else in Canada because no other government probably could have succeeded in bringing together both labour and business to discuss at the same time.

Mr. Speaker, I know that honourable members across the way prefer confrontation in our society. They prefer distrust in our society. They prefer the generation of hate in our society, Mr. Speaker, rather than to encourage a co-operative attitude, a co-operative approach amongst Manitobans in resolving their difficulties during these very very tough times.

Mr. Speaker, that is the basic difference between this side of the Chamber, the political party that I represent supporting a co-operative attitude, as against the attitude that some way or other we must all compete, we must all tear and claw at each other within our economic system. If there ever was a time that required co-operation, it was now. That spirit of co-operation in public service will continue, Mr. Speaker, to be the hallmark of this government.

We know, Mr. Speaker - and I want to make this very very clear because honourable members again don't seem to understand the essence of consultation - consultation does not mean that we are not going to do things, develop policies, announce programs that may not indeed win favour with everyone. There will be times, Mr. Speaker, when that which we do will be not favoured by labour or by business. But what consultation means, you meet with the groups in question, you have open, you have frank discussions. The facts are put on the table. The government in the final analysis must be the decision-maker, Mr. Speaker, and although honourable members across the way may not understand that particular process, I find that labour and business in Manitoba recognize and understand that process very very well and appreciate that process.

Mr. Speaker, when the Leader of the Opposition began this debate, he acknowledged that he had not studied the Budget. He began speaking on Page 346 of Hansard and 11 pages later in his own words, he began to speak briefly about the contents of the Budget, 11 pages later. Other members opposite have been equally reluctant to discuss this Budget. Why didn't

the Conservatives, Mr. Speaker, across the way, the Conservative members, the members of the opposition, why didn't they discuss the Budget during the debate? That is the question, Mr. Speaker, because any discussion that had been grounded in fact would have revealed the extent to which they believed their own fantasies, the extent to which they have difficulty telling true from false.

Mr. Speaker, I would like to, although I've only had a few hours to check out some of the material that the former Minister of Finance was discussing this afternoon, I've had opportunity to check out some of the allegations that were made and I would like to spend a few moments dealing with those.

This afternoon the former Minister of Finance uttered these words. "How can a Minister of Finance put in this Budget, this year, that our expenditures are only up over 1 percent from his original estimate last year when at the time he said they were up 14.4 percent?" Mr. Speaker, I had the opportunity in the few hours that were available to me from the Member of Turtle Mountain's address to obtain the projected Annual Expenditures versus Main and Supplementary Estimates for the years 1978-1979 to 1982-1983 and find, Mr. Speaker, insofar as the present fiscal year, that there has been an increase, \$32.6 million or a 1.1 percent increase as the Minister of Finance had indicated the other evening.

Mr. Speaker, what is interesting is that in the year 1981-82 there was a \$52.4 million overage, 2.2 percent over; in 1979-80 an overage of \$38.6 million, 2.1 percent over. And, Mr. Speaker, what the Member for Turtle Mountain, therefore, did not point out that in the past four years there was greater overexpenditure from that which had been anticipated; Expenditure over print in two years, both during the years of the former Conservative administration in Manitoba than during this past fiscal year, Mr. Speaker.

Mr. Speaker, another interesting comment that was made by the Member for Turtle Mountain this afternoon, and again I would like to read the member's comments, "The Minister has added items of Expenditure into Capital Estimates this year which were not previously included. These items, among which are included this year such things as snowblowing, winter roads and salt that would be used for de-icing." He went on to state, "No doubt his Capital Expenditures will be rising as a consequence of this storm." Mr. Speaker, he says on Page 16 of this year's - well this is a preliminary, it doesn't come out - what the former Minister of Finance said was, ". . . challenged the Minister of Finance's statement that this had been done with the agreement of the Provincial Auditor. This is not true. The Provincial Auditor was not consulted on this item and the Minister of Finance says in his Budget that the Provincial Auditor was consulted and agrees with it. This is not true," said the Member for Turtle Mountain, "and I remind all of the backbenchers opposite . . .," speaking to our backbenchers as though they should know how they were deceived by our Minister of Finance, he says, "This is not true, backbenchers across the way, and I remind all of the backbenchers opposite that the Provincial Auditor is an employee of this Legislature. He is not an employee of the government, of any of the departments of those Ministers opposite."

So, Mr. Speaker, the first suggestion was that the Minister of Finance had indicated that there was

consultation and agreement, that that had not been true; secondly, Mr. Speaker, that the Minister of Finance had added items in to the Capital Expenditure for the first time this year. The Member for Turtle Mountain is nodding his head, Mr. Speaker. I had opportunity to check some of the previous years, Mr. Speaker, and I would like to table this exhibit to the House, a news service release dated July 18, 1980, in which the former Minister of Finance, Don Craik, who I believe is in Regina now - I don't know whether I could get hold of him in Regina - he said, "Capital Investments in Manitoba through provincial funds amounted to \$184 million in 1979-1980, exceeding the \$44.8 million deficit by some \$140 million."

Now, Mr. Speaker, in obtaining the report as to how that \$184.8 million of Capital Investment was arrived at for the year ending March 31, 1980, I table this in the House, the report from the Provincial Auditor, Mr. W. Ziprick, Report of the Provincial Auditor to the Legislative Assembly for the Fiscal Year ending March 31, 1980, I read under "Highways" - and this is part of the \$184 million that the former Minister of Finance made reference to as having been Capital Investments: "Maintenance Program," isn't that where the salt comes in? "Mechanical Division; Warehouse Stores; Airports and Roads; Timbers and Material Stockpile; Crushed Gravel; Work in Unorganized Territory; Maintenance and Construction Other Jurisdictions; Innovative Urban Transport Grant; Highway Strengthening; Canada-Manitoba Northlands Agreement; Construction of Provincial Trunk Highways; Aids to Cities and Towns." And get this - because the former Minister referred to it in his talk this afternoon - "Winter Roads." We'll carry on, Mr. Speaker, "Minor Improvements, Airports; Gravel Exploration; Mechanical Division Equipment; Water Bomber Contract; Equipment Storage Buildings; Canada-Manitoba Northlands Agreement."

I'll just table that, Mr. Speaker, because I'd like to just carry on to another one of the years in question. For the year ending March 31, 1981, who was the Minister of Finance? I think the Member for Turtle Mountain was already the Minister of Finance, was he not, before the end of the fiscal year March 31, 1981? Again, Mr. Speaker, I don't want to belabour this or to bore members present: "Maintenance Program; Mechanical Division; Warehouse Stores; Airports and Roads; Marine Services; Work on Unorganized Territory; Maintenance and Construction Other Jurisdictions; Innovative Urban Transit Grants; Harrison Grant; Construction, Regular Program; Highway Strengthening; Canada-Manitoba Northlands Agreement; Aid to Cities, Towns and Villages." Again, "Winter Roads; Airport Improvements; Gravel Exploration; Mechanical Division Equipment; Water Bomber Contract; here again, Equipment Storage Building.

Then, Mr. Speaker, in case there was any doubt as to whether the Member for Turtle Mountain was the Minister during that fiscal year, he certainly was during the period for the year ending March 31, 1982, and again under Highways and Transportation there are identical items listed. Yet, Mr. Speaker, we had the former Minister of Finance stating that our Minister of Finance had inserted these items in without the agreement of the Provincial Auditor, without consultation with the Provincial Auditor and his words were, "The Minister has added items of Expenditure

and of Capital Estimates this year which were not previously included." These items, among which are included this year are such things as snowploughing, winter roads and salt which would be used for de-icing.

Mr. Speaker, if there was a wrong this year, then it was a wrong dating back to the fiscal year ending March 31, 1979. Mr. Speaker, it was right then, and I do not recall any of the members on our opposition bench during those years raising issue with the Minister of Finance, Donald Craik, or the Minister of Finance, Brian Ransom during those years. To my knowledge, this is the first time, Mr. Speaker, that this was raised as an issue in this Chamber by one himself that was apparently one of the participants in the process in previous years.

Mr. Speaker, there was a great deal of ado as well that there was no \$200 million Job Creation Fund. We'll be prepared to of course stand ready, dollar for dollar, in any discussion, any reference to that as we proceed. Mr. Speaker, it seems that honourable members across the way don't like to talk about the Job Creation Fund. — (Interjection) — The Honourable Member for Tuxedo is asking about information. He should be just a little bit more clear on some of the information that he's been talking about in public forums, because to listen to the Honourable Member for Tuxedo, there's been no reductions insofar as Manitoba is concerned, insofar as receipt of monies from the Federal Government.

Mr. Speaker, then it appears to me that the Honourable Member for Tuxedo has to be the best ally that Mr. MacEachen and Prime Minister Trudeau have in this Chamber, that he is still attempting to make out that a reduction insofar as the share of revenues that the Provincial Government has received from the Federal Government, a reduction from 43 percent of total to 35 percent in the last five years, is not a reduction.

Mr. Speaker, the reduction is that, unlike the previous administration in the Province of Manitoba, this government can no longer depend on an ever increasing amount of monies from Ottawa by way of fiscal transfer payments. That's the difference, Mr. Speaker. Some \$720 million - I believe is the correct figure - by way of reductions in the five years from what would have been received if this government had been able to enjoy the same kind of agreement under which honourable members across the way had operated under, Mr. Speaker.

Mr. Speaker, I can only interpret the position of honourable members across the way as being supportive of the cutbacks by Ottawa to the Province of Manitoba. They deny that they're cutbacks. They are engaging in the same kind of rhetoric that unfortunately was inflicted upon our present Minister of Finance for months and months by the former Minister of Finance at the federal level, Mr. MacEachen.

HON. R. PENNER: I think they are in bed with Trudeau.

A MEMBER: They are.

HON. H. PAWLEY: I was wishing, Mr. Speaker, because I wanted to seize this opportunity - sometimes I'm accused of being a little too nice and I got myself taken a little bit in December when I was accused of - I don't want to raise old sores - being a liar across the way,

during a debate. It was alleged by the Honourable Member for Fort Garry that spending had not increased as I suggested it had increased, in regard to capital projects, hospital, personal care home construction, by double in the Province of Manitoba. You know, the Honourable Member for Fort Garry sent an article out to my own local newspaper, a big headline on it, and I think the words were, "Deceit Lurks the Corridors of the Legislature," and then the words were to the effect that how badly I had misled the House by suggesting that we had doubled construction in health care facilities in the first fiscal year of our administration compared to the last fiscal year of the administration of the previous government.

Mr. Speaker, what are the facts? I'd like to put them on the record because it's been bandied about so much in this Chamber. I'd like honourable members to write this down and, as I say, I wish the Honourable Member for Fort Garry was present, so I assume the Honourable Member for Tuxedo will jot them down so that he can acquaint the Member for Fort Garry with these figures. On March 20, 1981, a Manitoba Health Services Commission Capital Program of \$34,650,000 was announced by that member, the Member for Fort Garry. It included projects available for immediate tendering, projects to be started during the year in a contingency for upgrading, all included.

On April 30, 1982, the present Minister of Health announced the next capital program - one year later, our administration. It included \$69,300,000 for those same three categories of construction, twice as much. Now, the Member for Fort Garry was a master of announcing programs that were not about to take place and, unfortunately, the Member for Fort Garry appears to have forgotten that he had announced some programs that didn't take place. — (Interjection) — It was an election year, too, Mr. Speaker. Perhaps he thinks, therefore, that in terms of actual spending on construction of hospitals and nursing homes and other facilities, there was less of an increase than there was. I've been informed by the Manitoba Health Services Commission - again, I would ask you to jot this down - that in 1981-82, \$25.6 million was spent on health construction; in 1982-83, \$52.1 million being spent. Again, more than double the amount in the Tory's election year. Mr. Speaker, what we appear to be witnessing is the masters of misinformation across the way.

We have other examples, Mr. Speaker. I suppose, in many ways, the greatest degree of confusion to the extent that I thought would be impossible, has been created by way of the arguments, and I must say, desperate arguments across the way - I don't know why they're so desperate on this point that the Manitoba Government Employee Association's three-month postponement in the MGEA members next wage increase will simply pass extra costs into 1984-85. That's what honourable members have been saying all along; that we're going to just simply be deferring or passing those costs into 1984-85; that it's all smoke and mirrors.

MR. F. JOHNSTON: It says deferral right here.

HON. H. PAWLEY: Well, Mr. Speaker, common sense - and even the Honourable Member for Sturgeon Creek

that's referring to some document, will note that in April, 1984, the Manitoba Government Employees Association would not be earning one more cent than they would have been without the wage postponement. Mr. Speaker, how are costs being pushed into the coming fiscal year, April 1, not one more cent than would otherwise have been the case under the previous arrangement.

Mr. Speaker, they have failed, despite the fact that we have challenged honourable members across the way to show us one other agreement which has been voluntarily opened in order to reduce wage costs. Is there another municipality? Is there another Provincial Government? Is there another city, Mr. Speaker, that has voluntarily opened up an agreement in order to save wage costs? We've challenged honourable members across the way to do so. Mr. Speaker, honourable members across the way were masters at opening up some contracts. They're masters. They know what it's all about.

We have an example, Mr. Speaker, of the Manitoba Medical Association, 1981. I don't know whether honourable members have forgotten about that.

HON. R. PENNER: That's research.

HON. H. PAWLEY: Mr. Speaker, just in case honourable members across the way have forgotten this event, there is an example of another contract having been reopened, back in 1981. The Manitoba Health Services Commission considered that the Consumer Price Index for Winnipeg increase for the 12 month period, January, 1980 to December, 1980, was 9.6, calculated on a 12 month average basis. However, the Manitoba Medical Association maintained - they didn't agree with the Manitoba Health Service Commission calculation back in 1980-81 - that the calculation should be based on a month-to-month calculation, comparing December of 1980 to December of 1979. This resulted in a Consumer Price Index of 10.5 percent and not 9.96.

It was agreed, by the then government, to reopen the agreement with respect to the Manitoba Health Services Commission fee schedule, resulting in a 15.5 percent increase, instead of the 8.9 percent increase set out in the original agreement. These great tough bargainers, Mr. Speaker. This is the administration that we were to follow by way of example? This meant a total increased payment of over \$17 million, Mr. Speaker, for 1981-82, instead of an additional - I'm sorry - it's an additional \$17 million compared to \$10 million which would otherwise have been paid out for an increase of \$7.5 million. So yes, honourable members across the way do have experience with reopening contracts and rather than a \$10 million saving that occurred under the discussions that took place between this government and the Manitoba Government Employees Association, there was a 7.1 price tag to the public of Manitoba under the reopening by the previous administration.

Mr. Speaker, I want to also put this on the record - I believe it has previously, but I think it should be repeated - that when it comes to discussion about the operating engineers, that we've placed them in a very awkward, very difficult position. Those have been the charges of what we've done with the Manitoba

Government Employees Association. We find a 32 percent increase for 1981-82 - a 32 percent increase - while the Member for Turtle Mountain was the Minister of Finance and the Member for Fort Garry was the Minister of Health in the Province of Manitoba.

What about the nurses? I have great fondness for the nursing profession and the very wonderful members of that profession. Mr. Speaker, I think a 42 percent settlement is just a little much; 42 percent. I dug up, Mr. Speaker, because I find it quite revealing, an article which appeared in the Winnipeg Sun on the February 11, 1981 by Patrick Flynn. I think we should read some of the gems of wisdom in this article. "After three years of Tory restraint, the provincial coffers are being flung open for Manitoba's hospital workers with some pay boosts running twice as high as the leaner years following the 1977 election." Has this something to do with the election, I wonder, these big pay increases? The result, Mr. Speaker, and this is curious - there appeared to be some betting that year. "Most union officials in the health field are betting 2 to 1 that there's going to be an election this year." Union officials could even see it, Mr. Speaker. "The Tories are spending money like it's growing on trees," said one union boss," according to the article.

"Another suggested that the government doesn't want a repeat of last year's strike by service workers at the Health Sciences Centre, the province's biggest hospital. The word 'strike' had hardly been uttered before nurses were given a 42 percent pay boost. That started the ball rolling." I'll table this if the Honourable Member for Turtle Mountain would like to reread it and reinform himself as to what was being said that year.

These settlements came about quietly with no strike talk, there's a further reference in the article. Then, Mr. Speaker, remember I talked about that reopening of that doctors' contract, \$7.5 million? This article was written prior to the reopening of the doctors' contract and it reads: "Who could blame the province's doctors for wanting a piece of the action?"

MR. H. HARAPIAK: Sitting on a pot of gold.

HON. H. PAWLEY: Manitoba's physicians have served notice that they want the second year of their two-year agreement reopened. Their contract called for a new fee proposal depending on increases to the consumer price index. It went up 10.5 percent for Winnipeg and the doctors soon will be going to the government to better the 8.9 percent boost that they were to receive in April.

Mr. Speaker, this afternoon I listened to the Honourable Member for La Verendrye and he waxed eloquent about the Federal Government and the Provincial Government burdening the motorists of Manitoba with increases by way of tax to pay for PetroCan and at the provincial level the increases announced by the Minister of Finance. Mr. Speaker, I want to remind the Member for La Verendrye that he was a member of the Treasury Bench, I think it was 1980, when an ad valorem tax was announced in this Legislature and every time the price of gas went up, Mr. Speaker, his provincial administration reached out its hand and received 20 percent of the increase, ad valorem tax.

Mr. Speaker, they didn't have to come into this Chamber as our Minister of Finance and announce in this Chamber, I'm increasing gas tax. No, they did it by way of the back door through an ad valorem tax. Up with the price of gas, up with the provincial take and, Mr. Speaker, did we hear a protest?

MR. R. BANMAN: Down the price of gas, down with the provincial take.

HON. H. PAWLEY: Did we hear a murmur of discontent from the Member for La Verendrye while he was sitting in the Treasury Benches across the way? Not a whisper, Mr. Speaker, not a whisper. This government had the intestinal fortitude last Session to eliminate the ad valorem tax so we could come forward in this Chamber and when we increase tax we increase it by way of the Budget process rather than through some other means by which we don't have to come out front to Manitobans with our increase. That's the difference, Mr. Speaker.

MR. G. FILMON: How much is the consumer paying?

HON. H. PAWLEY: Mr. Speaker, the difference is we're up front, you weren't up front. You piggybacked by way of revenue collection on every increase in gasoline that took place in Canada during those years.

MR. G. FILMON: Is the consumer paying less?

MR. R. BANMAN: Also decreased, Howard.

MR. D. SCOTT: You never lowered it.

HON. H. PAWLEY: Mr. Speaker, also the members across the way . . .

MR. SPEAKER: Order please. Order please.

HON. H. PAWLEY: Members across the way pretend that they know all about rural Manitoba.

MR. G. FILMON: Tell us about it, Howard.

HON. H. PAWLEY: Mr. Speaker, the Minister of Agriculture did well in dealing with this subject matter this afternoon and I know that honourable members across the way are embarrassed because the Minister of Agriculture has done such a wonderful job . . .

SOME HONOURABLE MEMBERS: Take a bow. Take a bow.

MR. R. BANMAN: You'd better quit now while you're ahead, Billie.

MR. SPEAKER: Order please.

HON. H. PAWLEY: . . . improving the effectiveness of the Beef Stabilization Program.

MR. R. DOERN: Downey was never that popular.

HON. H. PAWLEY: Mr. Speaker, I remember listening to the Member for Emerson, the Member for Arthur,

I remember listening to the President of the Manitoba Cattle Producers Association and they all were publicly stating that there was no way that the Minister of Agriculture would enroll more than - well, generously, was it 10 percent they said - the cattle producers of this province?

MR. A. ANSTETT: Who said that?

HON. H. PAWLEY: The Member for Emerson. I think they were prepared to even put on some bets on that in this Chamber. The Member for Arthur, Mr. Speaker, they were wrong, clearly wrong and just as they were wrong insofar as the acceptability of the Beef Producer Stabilization Program they will be equally wrong in regard to their siding with the real estate speculators in Manitoba who are opposing the interests of the Manitoba farmers when it comes to Farmlands Ownership Protection legislation.

Mr. Speaker, we look forward to seeing how the alleged voices of the farmers in Manitoba will deal with the Crow issue this year. I trust they won't duck and wiggle and squirm as they did last year on the Crow issue in this Chamber. Mr. Speaker, whether it has been the Member for Tuxedo, whether it's the Member for Fort Garry, whether it was the Member for Arthur, the Member for Emerson, the Member for Turtle Mountain, whether it was the Leader of the Opposition himself, we find that the other side has been demonstrating in much detail that this opposition caucus has but a nodding acquaintance with facts, Mr. Speaker, but a nodding acquaintance with facts.

What is important is that we now discuss the alternatives that are available by way of the philosophic direction of the party that's represented by members across the way and the political party that I represent. Their record and every implication of every remark they have made indicates a fundamental approach on their part. It is a government that must do nothing. Theirs is a politics of depression, theirs is truly, Mr. Speaker, a party of depression. It is clear and is all too evident that the downward economic spiral began with businesses that had to reduce or close their operations because of high interest rates. This reduced the levels of economic activity thus forcing other businesses to cut back. Unemployment then rose, Mr. Speaker, and following the increase in unemployment we had the steady increase in the numbers of bankruptcies. Consumer confidence was weakened by high interest rates and undermined even further, Mr. Speaker, by increases in the levels of unemployment.

The private sector has been in a deflationary spiral of the kind that has indeed stripped Great Britain of so much of the productive capacity under the leadership of Prime Minister Thatcher in Britain. In fact, the production output in Britain in 1982 is at a level not in excess of that which it was in 1971 in Great Britain. Yet the solution, Mr. Speaker, that we hear from across the way that is proposed by Conservatives and Conservatives everywhere, is that the public sector should be accelerating this downward spiral. Every reduction in private investment, private activity and private jobs must be matched, according to their reasoning, by a cut in public investment activity in jobs and that is the bottom line of the philosophy of

honourable members across the way. It has been altogether too evident, Mr. Speaker, by their thirst indeed for public service layoffs. They're not satisfied, Mr. Speaker, with the elimination of some 500 Civil Service positions that was announced by the Minister of Finance, because it was done without layoffs. It was done without hurting people.

Their policy was applied in 1980 when the Canadian economy went through a minor recession. Manitoba was a leader in that decline unfortunately, suffering more than most other provinces. Today we have amongst the best economic performances and I say that because it is cold comfort, Mr. Speaker, because Canada is in the grip of a recession; Manitoba is in the grip of recession; but we cannot compare in isolation. The proof is in the pudding, Mr. Speaker. The members opposite have wisely avoided any comparison of their economic record with the record of this government and it's been very clear throughout this debate, because they know that so far Manitoba has done far better despite worse difficulties when our performance is compared to the national average and to other provinces - better on population, Mr. Speaker. Indeed, the best interprovincial migration statistics since records were kept; better, Mr. Speaker, on unemployment.

Our unemployment rate has increased, but the level has deteriorated less than the national average by almost three to one. Better at saving jobs, Mr. Speaker, better at saving jobs than eight other provinces. Better economic production, a much better comparative — (Interjection) — Well, Mr. Speaker, the Honourable Member for Turtle Mountain says, there's gotta always be somebody that is worse off. Unfortunately in the years 1980, 1979, 1981, in most instances there was no one that was worse off than the Province of Manitoba by way of comparison. Better economic production, a much better comparative performance than members opposite had ever hoped to achieve. A decline for five months straight in business bankruptcies.

Mr. Speaker, what I would like honourable members, including the Honourable Member for Sturgeon Creek to note as the former Minister of Economic Development, that the five months straight in business bankruptcy decline comes after the terrible steady increase that commenced in bankruptcies in the middle of the four Torie years in Manitoba, the lowest inflation rate for a second consecutive year and the largest increase in retail sales.

Mr. Speaker, as I have said a few moments ago, this is but cold consolation when we recognize and understand the fact that we're in the midst of a national international recession. But implicit in this debate has been the evident differences in the approach of the two parties to economic issues facing all Manitobans. My colleagues have argued throughout that the Provincial Government must do all within its power and with its financial capacity to create meaningful jobs for the unemployed and to add to the strength of the Manitoba economy. Members opposite have argued that the province ought naught to be engaged in such activity.

They seem to think for example, Mr. Speaker, that an oil well owned by the people of Manitoba is somehow less of a contribution to our provincial economy than an oil well owned by Alberta oil firms that have been

active in Manitoba for years; continued electrification of Manitoba communities; additional construction of rail lines as we've mentioned in our list that we've sent of capital projects.

Mr. Speaker, what I did find interesting is that when I was detailing these items the other day in the Legislature, the honourable members across the way some way or other found this approach, the proceeding with such projects is some way or other ideological, Mr. Speaker, ideological to be proceeding on electrification of Manitoba communities, construction work on rail lines, new facilities to train business administrators at the University, new homes, the expansion of cultural industries. Mr. Speaker, it was argued that some way or other this was not contributing towards the Manitoba economy.

Well, Mr. Speaker, only a group of men and women who are willing to stand by and cut off public sector investment, letting Manitoba suffer four of the worst years it's ever had, only such a group, Mr. Speaker, could today suggest that in the face of this recession, the public sector should not take an active part in ensuring jobs and future economic growth. Mr. Speaker, I think they will find across the way that there'll be very little sympathy from carpenters, from electricians and bricklayers and others that are engaged in the capital works projects in the Province of Manitoba they initiated as a result of job-fund activity.

Mr. Speaker, the people of Manitoba want work, they don't want welfare. The people of Manitoba want to work well together to help build a better future for this province. They want help; they want encouragement in these difficult times, not handouts. In the rigid *laissez-faire* 19th Century kind of philosophy so deeply held by members of the Caucus opposite that only one phrase, Mr. Speaker, is needed in order to capture their basic economic philosophic approach and attitude about provincial economic responsibilities. These words, Mr. Speaker, should be carved upon their caucus door, and they are, "Abandon hope, all ye that enter here." They believe that nothing can be done. They believe that government ought to be passive in such circumstances that we are faced with today. They believe, with their peculiar beliefs that are so dear, that their crusade for the politics of depression is like a Holy War to them.

Mr. Speaker, on our side, we fundamentally reject narrow philosophy that animates the members across the way. It's a philosophy of despair and one of destruction. Manitobans know that their province and they themselves are able to achieve great things. They know that hope and confidence in the future is entirely justified. This Budget, Mr. Speaker, responds to that basic confidence in Manitoba. It responds by stating clearly that there is an economic waste, there is a human waste from unemployment. The cost, in terms of production income which has been lost permanently due to unemployment, is meaning that the loss in potential is enormous. Crude estimates, Mr. Speaker, place this loss at between \$35 billion and \$40 billion for Canada as a whole, 1982. That total is equivalent to an average loss of at least \$1,500 for every Canadian, \$6,000 for a family of four.

Not only is this economic waste of unemployment intolerable, so is the waste of human resources. Mr. Speaker, whether we look at the despair that gives rise

to increase by way of registrations and entries into hospitalization, into institutions in the province, whether it is that despair that gives rise to an increase in crime and thus a need for an increase in court services and legal aid, whether it is that which gives rise to the destruction of families by way of breakdowns which are increasing because of the kind of economic circumstances, whether it be by way of the increase by way of social assistance, all this loss is not easily measured. There's no profit, there's no loss statement for individual well-being. The cost in human terms is at least as high as the economic loss and, as the Budget emphasized, saving jobs and creating jobs are No. 1 priority.

It means, Mr. Speaker, an alternative, that it is essential that we develop — (Interjection) — the Honourable Member for Sturgeon Creek obviously didn't hear me a few moments ago when I mentioned that the level of bankruptcies month-by-month in the past five months has been decreasing in relationship to the same months the year before which was not taking place at any time since the middle of the term under which the former Minister of Economic Development, the Member for Sturgeon Creek, was presiding as the Minister.

Mr. Speaker, the honourable member was also apparently not listening when I pointed out that the loss in the retention of jobs was better in Manitoba than eight other provinces in Canada. Mr. Speaker, the jobs means a productive alternative, a positive alternative to either unemployment insurance or to social assistance. This is why it's important that we direct every available resource to creating and protecting as many jobs as we can. In our first year in office, approximately \$100 million was committed by our government to activity that created jobs and strengthened the Manitoba economy, programs like the Homes in Manitoba Program, which program has been described by the homebuilders of Manitoba as the best they'd ever seen - Mr. De Fehr. Reforestation projects - the Minister of Natural Resources; accelerating provincial capital works, increasing repairs for senior citizens' housing and other public housing in more than 90 communities in Manitoba, installation of much needed water and sewer lines in the City of Winnipeg and in Northern Manitoba, improvement of facilities for northern fishing stations and industry in the North as well and much more, Mr. Speaker.

Mr. Speaker, we've made it our business to create jobs and to restore the public services that have been so severely cut back, because we're not going to adopt the neo-Conservative approach of harsh cutbacks and acute restraint, measures which only tend to prolong the crippling recession. Even if we were preoccupied with deficits, as our honourable members would have us be so preoccupied, those kind of measures, Mr. Speaker, are not effective for reducing deficits; in fact, the contrary appears to be the case. Ronald Reagan in the United States, obsessed with the need to reduce the deficit at all costs, a record deficit, some \$200 billion in the United States; and Peter Lougheed, the strongest believer in this economic philosophy, has announced a possible deficit of some \$3 billion in the Province of Alberta, the largest per capital deficit for the end of this present fiscal year of any province in Canada.

Mr. Speaker, I should also point out that in case honourable members would like to know, "Sick economy in Alberta blamed for Medicare Defaults. 'About 160,000 Albertans haven't paid their Medicare premiums for six months or more, partly because of the recession,' says a top hospital department official." Mr. Speaker, they still have Medicare premiums in the Province of Alberta and 160,000 Albertans, according to this report, are unable to pay their premiums.

Mr. Speaker, if Manitoba was to follow the lead of those that propose that we should be preoccupied in the deficit, we'd be announcing a \$1 billion projected deficit for the end of this fiscal year, if we were to follow the lead of Alberta. Mr. Speaker, the idea of balancing the Budget with deflationary policies is nothing but a fantasy, a policy of depression. We recognize that within the provincial jurisdiction, that which we can undertake is limited. We know that there are continuing forecasts of very very high unemployment. We are hearing from business people that they want and need a situation in Manitoba that can reasonably expect the creation of productive work. Indeed, hearing from every corner of this province that one great problem which this Budget had to address was unemployment and that Manitobans were willing to sacrifice and to pull together in order to address this crisis. We decided to expand upon and to better co-ordinate the efforts during our first year in office. Our response contained the Budget is a Manitoba Jobs Fund. It reflects difficult situations and decisions, but one which my colleagues and I are proud of; decisions that reflect the traditional community spirit of this province.

MR. A. DRIEDGER: Big mirage.

HON. H. PAWLEY: I think Manitobans are more than willing to pay 1 percent out of every dollar that they spend to contribute to the Provincial Jobs Fund. I know that Manitobans want to invest in self-sustaining projects that can provide jobs now as well as for future economic strength in the province. That's exactly, Mr. Speaker, what is being done through the Jobs Fund.

In addition, Mr. Speaker, those within the public service have contributed to the Jobs Fund by their actions, so that work can be created for others. I hope that kind of example, Mr. Speaker, will be followed by others in our community.

MR. A. DRIEDGER: Big mirage.

HON. H. PAWLEY: I know that honourable members across the way will be quick to criticize reductions in income for highly paid public servants in hospitals and universities. Mr. Speaker, surely it is those in the positions of authority and those with a comfortable income who must - and who will - take the lead in contributing towards for the unemployed. If, as members opposite wished, the recession was allowed to grind the poor still further and further under by those at higher income levels, and the public and private sectors enjoyed their usual increases, our economy and our society would suffer a moral setback that would take a generation to overcome.

Creation of the Jobs Fund will require special legislation which will be introduced at the earliest

opportunity. That legislation will provide the flexibility necessary to design and to finance a wide range of job-creation efforts over an extended period, both on our own and in co-operation with the Federal Government, the municipalities and the private sector. The legislation to establish the Jobs Fund will give us further flexibility to re-allocate authority within it. This will mean even greater latitude to maximize the impact of the Jobs Fund investments.

A major purpose of the Jobs Fund will be to improve the effectiveness and the co-ordination of the entire range of job-creation measures that have been introduced in the last year. All of these programs would be judged within the Jobs Fund criteria. Both business and labour representatives have expressed their view, and we agree, that it is most important to select projects that meet a dual purpose; jobs plus other long-term benefits to the Manitoba economy such as helping to encourage new industries to develop upgrading existing industries, to make those existing industries more competitive and to improve the quality of the workplace. We will follow the presentation of options with a view to developing a balanced set of programs which will help all regions and all areas of Manitoba.

Of course, much as we would like to achieve it, the \$200 million in the Jobs Fund cannot and will not be expected to create full employment situation in our province. In fact, its impact will be somewhat limited. Our unemployment rate is going to remain high and probably unacceptably high until there's a major, national recovery underway. But the Jobs Fund is going to make a difference, Mr. Speaker. Our aim is to make sure that every dollar has the highest possible impact. It is far, far better for us to make the effort and create 5,000 to 10,000 jobs for those who would not otherwise have them, than it would be to adopt the do-nothing sort of attitude and just sit on our hands, saying how terrible the situation is. Manitobans expect positive action to create jobs and that is the policy of our government. For many people in our province and our country, the recession has been a crisis. It has been the worst in some 40 years. The Jobs Fund is our response to that crisis. It demonstrates that this government is listening, is responding; it is working with Manitobans for a better future.

We hope that \$200 million Jobs Fund is but just the beginning. That is why the Finance Minister has been in Toronto today to meet with his federal and provincial counterparts. Manitoba has made it clear that since we first proposed the National Capital Program, that in our view, Ottawa must lead an all-out war on unemployment based upon the co-operation of every senior government in this country. Only by working together, only by that kind of effort, only on that kind of scale can we fundamentally change the tragic economic pattern of the last two years in Canada.

If every other government contributes to the same extent that Manitoba is willing to do, our country would have a \$10 billion Jobs Fund. That kind of investment in jobs today, in a stronger Canadian economy, is what this country needs and what it deserves. Manitoba's led the way for such an effort. We must redouble our actions in order to make that proposal a reality. We've asked Manitobans to support the Provincial Government and to communicate directly to the Federal Government their priorities from the list of projects submitted for federal funding.

Many hundreds of businesses, in addition to municipalities, community organizations, trade unions are already co-operating in this effort. We'll be looking for further expansion of this co-operative effort within the province. But how much more important it would be if the Federal Government rises on this occasion and demonstrates true leadership by calling upon labour, business and the provinces to join with it in an all-out war on unemployment.

Mr. Speaker, the Conservative members across the way appear tragically committed to demonstrating that all they and their party know how to do is deflate an economy, create a depression, sustain a depression. We, on this side reject the policies and politics of depression. We've chosen to take a positive and a constructive path. We know there are limits to what a province can do and that is why we are asking for a national effort to do everything that can be expected of each and every Provincial Government. To do nothing in these circumstances would be irresponsible and would be unforgivable.

Mr. Speaker, unfortunately 'nothing' is the alternative that has been proposed by the opposition in this House. They have not offered us any proposals, no alternative program, we have received nothing by way of response as to an alternative approach. Neither we nor the people of Manitoba lack faith in Manitoba and in its future. Mr. Speaker, members on this side commend this Budget to the members of this House, to Manitobans, and to the entire nation.

MR. SPEAKER: Order please. In accordance with Rule 23(5), I'm interrupting the proceedings to put the vote to the members on the amendment on the main motion.

QUESTION put on Amendment; MOTION defeated.

MR. B. RANSOM: Yeas and Nays, Mr. Speaker.

MR. SPEAKER: Call in the members.

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

YEAS

Messrs. Blake, Brown, Downey, Driedger, Enns, Filmon, Gourlay, Graham; Mrs. Hammond; Messrs. Hyde, Johnston, Kovnats, Manness, McKenzie, Mercier, Nordman; Mrs. Oleson; Messrs. Orchard, Ransom, Sherman, Steen.

NAYS

Messrs. Adam, Anstett, Ashton, Corrin, Cowan, Desjardins; Mrs. Dodick; Messrs. Doern, Evans, Eyer,

Fox, Harapiak, Harper; Ms. Hemphill; Messrs. Kostyra, Lecuyer, Mackling, Malinowski, Parasiuk, Pawley, Penner; Ms. Phillips; Messrs. Plohman, Santos, Scott; Mrs. Smith; Messrs. Storie, Uruski, Uskiw.

MR. CLERK: Yeas, 21; Nays, 29.

MR. SPEAKER: The amendment is accordingly lost. The Honourable Member for La Verendrye.

MR. R. BANMAN: Mr. Speaker, I would say that I was paired with the Minister of Finance. Had I voted, I would have voted for the motion.

QUESTION put on Main Motion; Motion carried.

MR. B. RANSOM: On Division.

HON. R. PENNER: Same Division in reverse, Mr. Speaker.

MR. SPEAKER: The same reversed decision.

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

YEAS

Messrs. Adam, Anstett, Ashton, Corrin, Cowan, Desjardins; Mrs. Dodick; Messrs. Doern, Evans, Eyer, Fox, Harapiak, Harper; Ms. Hemphill; Messrs. Kostyra, Lecuyer, Mackling, Malinowski, Parasiuk, Pawley, Penner; Ms. Phillips; Messrs. Plohman, Santos, Scott; Mrs. Smith; Messrs. Storie, Uruski, Uskiw.

NAYS

Messrs. Blake, Brown, Downey, Driedger, Enns, Filmon, Gourlay, Graham; Mrs. Hammond, Messrs. Hyde, Johnston, Kovnats, Manness, McKenzie, Mercier, Nordman; Mrs. Oleson; Messrs. Orchard, Ransom, Sherman, Steen.

MR. CLERK: Yeas, 29; Nays, 21.

MR. SPEAKER: Order please. The Motion is accordingly carried.

The Honourable Government House Leader.

HON. R. PENNER: Mr. Speaker, I move, seconded by the Minister of Energy and Mines, that this House do now stand adjourned.

MOTION presented and carried and the House adjourned and stands adjourned until 2:00 p.m. tomorrow (Tuesday).