



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

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**DEBATES**  
and  
**PROCEEDINGS**

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31-32 Elizabeth II

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Speaker*



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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Second Legislature**

**Members, Constituencies and Political Affiliation**

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

## LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 8 March, 1983.

Time — 8:00 p.m.

**MR. SPEAKER, Hon. J. Walding:** Order please. Would the Acting Government House Leader please indicate the next item of business?

**HON. A. MACKLING:** Well, Mr. Speaker, I understand that the Honourable Member for Turtle Mountain has eight minutes left in respect to his contribution that he was making when the hour became 4:30 and it became Private Members' Hour.

### ADJOURNED DEBATE

**MR. SPEAKER:** On the proposed motion of the Honourable Minister of Finance, the Honourable Member for Turtle Mountain has eight minutes remaining.

**MR. B. RANSOM:** Thank you, Mr. Speaker. Before I resume a bit of discussion of the Jobs Fund, I would like to make one comment about the speech that one of the members opposite made in this House a couple of days ago. I am not really one to criticize individual people for things they do, but when the Minister for Northern Affairs stood up in the House a couple of days ago and admonished people on this side for not being positive in their presentation, I simply found that a little bit much to take, Mr. Speaker. Just so that any of the new people on the other side, just by way of rounding out their background, I would recommend to the backbenchers and to those newly appointed to the Cabinet that they look on Page 3596 of Hansard for the year 1980 when the now Minister of Northern Affairs spoke on a grievance concerning the economic situation in Manitoba. When they read that speech, Mr. Speaker, they will be able to judge for themselves the comments that the Minister of Northern Affairs made tonight. — (Interjection) —

Mr. Speaker, I would like to make a few more comments about the Jobs Fund, the so-called Jobs Fund. I was looking at some notes on my desk tonight and I have referred back, for instance, to the speech made by the Minister of Urban Affairs a couple of days ago where he said that we have not played games with the people, and I thought to myself that it really doesn't square with the facts. My mind went back to the statement that the Minister of Finance had made on page 28 of his Budget this year when he said, and I'll quote this once more: "For many individuals in our province, in our country, the recession has been a crisis, the worst in more than 40 years. The Jobs Fund is our response to that crisis. It demonstrates that this government is listening, responding and working with Manitobans to build a better future."

The First Minister referred to that again when he spoke last night, Mr. Speaker, so I hope that when the Minister of Finance next has an opportunity to speak in this House that he will rise and tell us that it is not so, that indeed the government has no more money

in capital and job creation this year than they had last year. Indeed they have less. They have less capacity this year in that area than they had before; that the Minister of Finance, in changing his definition of capital, has deftly moved 136 million paper dollars, Mr. Speaker, - and that's paper without any monetary value at all into the side of capital expenditures - and when he says that there are \$840 million of total capital expenditure in Crown corporations and departmental capital this year as compared to \$700 million last year, he's wrong, Mr. Speaker. He has \$700 million this year in capital, exactly the same as he had last year; exactly the same as he had last year, Mr. Speaker, because the new definition that the Minister of Finance is using is trying to say that what was really \$174 million of capital last year, has suddenly become \$306 million and he goes on from there to talk about \$316 million this year.

Mr. Speaker, the First Minister didn't even deal with that last night.

**HON. H. PAWLEY:** Just wait. Just wait.

**MR. B. RANSOM:** He never attempted to deal with it at all and I would like to hear the Minister of Finance say that he has more money available this year than he had last year for total capital and job creation money because, Mr. Speaker, it isn't there, it simply isn't there; and when this is taken as the government's response to the worst recession in 40 years, the people of this province are going to be very disappointed. When they find that the Minister of Finance has placed a sales tax, which he described as somewhat regressive last year because it would hit hardest at the people that were unemployed and on minimum wage and the pensioners; when they find out that they really aren't contributing to a job creation fund that's over and above the thrust that government had last year, they are going to feel cheated, Mr. Speaker. They are going to feel cheated. And the people who are unemployed now who are being led to believe that there will be jobs created as a consequence of this fund, over and above what the government was already doing, they also are going to be disappointed, because last year the government really did commit an additional 200 million to Capital spending and jobs creation. They raised it from 500 million to 700 million and so that impact is already out there at work in the economy, even though we still have 54,000 unemployed. This year, the public is led to believe that there is another 200 million at work, and there isn't. So the end result has to be a situation that is worse off, is going to be worse than the people expect and I think it is going to be worse than a good many of the members opposite expect because I think a number of them over there actually believe that they are making a thrust for job creation over and above what they were doing last year.

So, Mr. Speaker, the Minister of Finance and the First Minister have assured us that they will be able to explain away this situation of the change in Capital which gives

the appearance of a new thrust being made. I sincerely look forward to hearing the explanation from the Minister of Finance.

**MR. SPEAKER:** The Honourable Member for Morris.

**MR. C. MANNES:** Thank you, Mr. Speaker. First of all, Mr. Speaker, I must say, with regret, that I must associate myself with the statement made by three of my colleagues yesterday, that being that you do not carry the confidence of this side of the House.

Mr. Speaker, when one speaks after the Budget Debate I suppose there is some advantage, you've had an opportunity to hear and digest some of the material that has been presented. Of course, the disadvantage is that much of the ground that you would like to cover has already been presented.

As I enter the debate on granting supply I would like, if you would allow me, to make some comments about some of the addresses that I've heard from members opposite. I feel I'd like to make some passing comments on some of the specific remarks that have come from individual members.

First of all, the Member for Dauphin chastised us at considerable length for not presenting positive views. I took that as a serious comment coming from him because I think, as a new member in this House like I am, we all like to hear positive remarks. He went on to indicate somewhere in his speech that we had made a number of promises and he used as source material one Free Press article written sometime in early '81 indicating the number of promises that we had made but which by remarks of the conclusions of this particular article we had not kept. I realized then that member was falling quickly into the same type of style as I suppose most other members on his side; that is, you recite and you bring forward exactly what it is that you wish in a sense of trying to leave a false impression. Because I can tell you that if all those promises that he indicated that our government had missed, we went to considerable length to indicate that in fact we had kept the vast majority of them - actually everyone of them.

Surprisingly, right after the Member for Dauphin spoke and asked us to bring forward positive comments, the Member for Elmwood came to his feet and offered a P.C. Party critique, not once that I can remember mentioning the Budget.

Of course, the Member for Thompson came forward and he indicated to us how happy he was with all the make-work projects that were being offered in Thompson. I was surprised that he, of economic training, wouldn't once attempt to indicate how that the debt associated with making these make-work projects would in fact be ever paid back, or is that a concern to him, particularly when he has the major . . .

**A MEMBER:** Disaster.

**MR. C. MANNES:** . . . well, I wouldn't call it a disaster, but a major company within his own constituency not producing?

Of course, the Member for Rossmere, in attempting to justify his own financial Budget, he dug up 15-year-old speeches to defend that Budget, some of which

our Leader made at the time of course when we did not have debt and when we had a completely different economic situation.

Well, Mr. Speaker, I have diverted myself for a long enough period from the most important issue and that is at this time the debate leading to the detailed review of Estimates.

I know the government does not want to see a full debate. Some of their members haven't offered it and of course when you have your leader out of the House during the debate and being excluded from debate, you begin to realize why.

Three themes I'd like to address tonight, Mr. Speaker, and they are revenue projections of \$2.7 billion; secondly, the Jobs Fund and I'll retitle that the 'great hoax'; and thirdly, debt servicing, its consequences on spending and where is the end?

First of all, the revenue projections. My colleague from Turtle Mountain in his presentation gave these statistics and we'll repeat them here. He said that the government predicted revenues to rise 15.7 percent over '82-83. He also indicated that '82-83 revenues were only 8.9 percent above '81-82 and that the past 5-year average revenues increased at the rate of 10.4 percent. Working with those figures and superimposing upon them the Conference Board Report that real gross domestic product in this province was projected to increase some 1.2 percent. One wonders, first of all, where the government can possibly feel confident in bringing forward a 15.7 percent projected increase in revenues. Of course, as was pointed out in some articles, the government assumes that in fact, the real GNP in this province will increase, not by 1 percent, but by 2 percent.

It leads you to the quote on Page 5 of the Budget, and others have used it and I will also. It says: "If national recovery forecasts are not borne out our budgetary situation inevitably will become more constrained and our latitude for action even more limited."

**MR. G. FILMON:** A big "if".

**MR. C. MANNES:** So the revenue side is based on the quote predicated by the word "if," and the whole revenue side is founded on the word "if," and that scares me. Possibly two other quotes, one from John McCallum in the Free Press dated March 2 and he says: "Third, the government projects its revenues to be at 15.7 percent over the latest estimates. For that to happen, the economy would have to pick up in a way that no forecaster I am aware of expects. Interest rates would have to stay where they are, or decline, and the dollar would have to remain strong." That's the first quote on that particular subject.

The other one comes from Dr. Gregg Mason, who is of course the Director of the University of Manitoba's Institute for Social and Economic Research, and he is quoted as saying that he also thinks the province's revenue projections are overly optimistic and Manitoba could end up with a deficit in the \$700 million range.

I think it was on that basis that the Member for Turtle Mountain asked the question and he says, what is the rationale behind the Estimates? What are the assumptions? Because we are aware of certain facts

and maybe they're a little bit subjective - some of them are and some of them aren't. But coming from farming communities and understanding the basis of agriculture, these days we see prices in that whole sector falling daily and we believe that net income over that whole broad sector which represents some 30 percent of economic activity in this province, that indeed there will be no positive net income. What contribution will this sector make to real growth? We're hard pressed, Mr. Speaker, to see any. We also ask where are the assumptions behind that revenue as the Attorney-General points out when he speaks in such glowing remarks of that service industry which has done so well over the last number of years - we wonder if its strong showing will be maintained. We're wondering what sustains it. It is, by definition, a service industry, it follows, it comes after a primary economic activity, manufacturing economic activity. How long can that one sector maintain itself?

We're also aware of the mining industry. Although world nickel prices certainly have strengthened somewhat, they're still in the \$2 a pound range and not strengthening quickly. And of course, what about government transfers? We know that they're not increasing at the rate that the government would wish and I suppose, as we all would wish.

If I could have an aside for a second, it seems strange how the First Minister of this province tries to point out to the population at large how the federal share of our revenues have dropped from 43 to 35, making it sound like in fact it's been an actual cut, not realizing that indeed that 35 has come as a result of the fact that our spending has risen so quickly.

So all these facts make us terribly nervous about accepting - and I say this to the Minister of Finance - at face value the government's projections that revenue will increase by 15.7 percent when real GNP is expected to increase only by 1. I hope that GNP is positive, Mr. Speaker, I question whether it can.

Interestingly, the Minister of Finance takes the view - if I could paraphrase him and he may want to challenge my comment - and says, "We have always accepted Ottawa's projections. Why should we change? To do so, would be impractical." I do not accept that comment because how many times - 10 months ago - did members from this side, when the Minister brought down the '82 Budget, did we ask the Minister to not accept or at least review in great detail the assumptions behind Ottawa's revenue projection? Today again I say to him, do not accept anyone's estimates until you have put them to the test of meeting the obvious expectations that I have just indicated earlier, first of all, our farming industry, our manufacturing sector, our housing starts and our tourism. See how all these sectors realistically are going to cope with the present situation. What type of revenues are they going to spin-off? I am saying to the Minister, put your own subjective stamp on the Estimates - the price of wheat is going to drop by 75 cents a bushel, or if U.S. tourists are going to not want to come here because the price of our gasoline is some 75 cents a gallon more - build that subjectively into any estimates that Ottawa may give us.

Just in my view, to spend \$3.3 billion and then, after the fact, realize that revenues are not going to reach \$2.7 billion because the government chose not to check more closely at looking at all sectors is unforgivable.

It places the whole budgeting process into disrepute. I say that these days building any numbers on a more conservative nature, and maybe possibly reducing spending correspondingly and being proven wrong, is a far better situation than the reverse. Savings can be spent quickly; debt is something that is with us for years to come.

Mr. Speaker, the second point that I would like to discuss is the Jobs Fund. I believe my colleague for Turtle Mountain said it best and probably documented it or described it best in his speech when he showed that there was no increase in capital spending. There is still \$700 million to be directed towards capital spending, the same number as last year.

A number of points made us suspicious, and although I know I certainly don't at this point and I am sure other members don't understand totally the logic behind my colleague's analysis. A number of basic points made me suspicious. For '82-'83, you go through the Estimates, Mr. Speaker, you look at Page 18 on the Agriculture capital spending item, Item 8(a), and you see a reduction in capital spending in that area. You go into the Cultural Affairs section and you go into the Co-op Development, Page 38, Item 4, and you go into the Education section, Item 8, on Page 57, and you see a decrease in capital spending of 5.7 million. You go into Energy and Mines on Page 61, Item 4, and you see a decrease in capital expenditure from last year. You go into the Government Services section on Page 80 and you see a 5.8 million decrease in capital spending. In the Highways section, 11.4; and Natural Resources, some \$6.6 million decrease in capital spending, Page 119, Item 13. Lo and behold, the sum equivalent, or some numbers similar to it, finds its way into the Jobs Funds item listed on Page 134. You realize, as the Member for Turtle Mountain said earlier in his analysis, that \$164 million of the \$200 million is to be directed towards Capital and possibly \$34 million toward Operating.

These figures as you see them being shaved out of the Capital sections in the various departments and brought into that new section called Jobs Funds, it forces you to ask yourself the question, how many new jobs will be created, how many unemployed will find jobs?

**MR. D. BLAKE:** They don't know.

**MR. C. MANNES:** And will the number of 55,000 unemployed, will it be reduced at all? You find yourselves asking yourselves those questions or will it continue to increase and will the government continue to say, well, we did our best, we set up this special fund to do what we could? We put \$200 million into the Jobs Fund, even though it came in great measure from existing sections within the spending Estimates.

These are all important questions in my view because, as stated earlier, that there will not be a dime more going into job creation - actually less in real terms compared to last year.

Mr. Speaker, if I were not a person who usually accepts at face value what people tell me, and if I were a little bit skeptical, I would say that the Government of Manitoba has done this deliberately.

**MR. W. MCKENZIE:** Sure they have.

**MR. C. MANNES:** They've done it, and they've done it to first of all create a new section with a new name for the purpose of trying to convince Ottawa that we are doing something beyond that which we have done in other years. What's the government goal? Well, it's of course to wring out of Ottawa another \$200 million to match the supposed new effort on our behalf. It is to get even for the cutbacks. It's part of the post-secondary tax syndrome, getting even with Ottawa, as the First Minister said the other day on radio, for the cut of \$50 million.

You know, I believe, that what the government is attempting to do in this area is the same thing that it would never allow me to do under the programs of labour initiative that have come out over the last two or three years, either provincially or under the DREE Program, where to be eligible for additional labour supporting grants, you have to show where whatever activity you're applying for creates more and it's always in that bold bold print, "additional jobs." It seems like the Provincial Government is attempting to do exactly what it would never allow any citizen of the province to do under any of its labour initiative programs. I suppose it might be acceptable except the big loser today are the people of Manitoba because if the Federal Government chooses not to match that \$200 million, the people of Manitoba are the losers because they believe that there is additional funds there and they will be the benefactors. I say they are being misled.

Mr. Speaker, the third point I'd like to address is the whole area of debt servicing and it's estimated by the Minister of Finance as being some 9 percent for '82-83. I believe my colleague, the Member for Lakeside, said it best in one of the best speeches, by the way, Mr. Speaker, that I have heard in this Chamber, and he said it on page 441 and I'd like to quote: "When does the debt charge, as it relates to the total revenue and expenditures, when does it become unacceptable?" Is it at 14 percent? Because by your own Budget figures and your own projections it will likely be there next year. Is it at 18 percent, is it at 25 percent? Mr. Speaker, when will we start paying up to 25 or 30 percent of our total expenditures to a few money lenders in Zurich, or New York, or in Tokyo? Surely that must even bother some of you people, referring to the members opposite.

I can tell you, Mr. Speaker, as a new member I have been troubled by this greatly. I think that comes as no surprise to the members opposite because virtually every one of the presentations I have made in this House has made some reference to the tremendous deficit and our total debt. I suppose I was reassured to some degree that at least some members opposite are concerned also when the member for Lac du Bonnet at least paid passing comment to the fact that he recognizes debt as a problem. I think Dr. Mason said it in his newspaper article probably better than most, talking about deficit and if I could quote, he says: "The more they go into debt to maintain services the less money they will have for those services."

Yet the Attorney-General chastises us for being overly concerned with the deficit and, therefore, the debt and he has spent considerable time. If I could quote again, Mr. Speaker, on page 502 he says: "Our capital debt, yes, is \$3,711,706,000, a big number, but what is our capital worth? Our capital worth is several times that.

"That's what the balance sheet of this province is, and you see the destructive harm you do by trumpeting

deficit, deficit, deficit and deny the heritage that is being built up through successive generations of the work of Manitobans that are there in its power dams, its infrastructure, its schools, its universities and its roads - they are there." — (Interjection)— Yes, I agree, they are there, the infrastructure is there. But because they are not paid for we will continue as Dr. Mason says, to have less money to spend on the services that we all want.

We are concerned about debt, of course we are, regardless of how the debt was amassed. I say to you, Mr. Speaker, that schools, hospitals and power dams, we want them all but if the revenues, by way of taxation through economic activity, does not materialize so that these necessary structures can be paid for they are little different in my view, than a bad business deal, they become liabilities. The carrying costs, and I know it's axiomatic in my view, but I believe their carrying costs cut into the funding of the social programs which we so necessarily want and are so highly favoured by us all.

Mr. Speaker, on Page A.11 of the Budget document we are given the debt situation of the province and the title of that is: "Province of Manitoba Direct and Guaranteed Debt - Net Refunding Requirements by Fiscal Year." I suppose my first interpretation of that says that the debt of 1984 and it says here \$384 million; 1985 it was \$106 million; in 1986 it was \$225 million. I suppose my first interpretation of that chart led me to believe that those amounts had to be met by way of Estimates. I thought appropriations were made by way of the Estimates each year toward a sinking fund so that the debt could be met, and I was wrong. I was wrong. I talked to the Auditor and I now understand better the system used to meet and to retire debt. The conclusion that I have come to is unless we run budgetary surpluses there will never be a reduction in actual debt, it'll never occur. It will remain at \$6 billion or heading for \$7 billion and soon probably to reach \$8 billion by the new deficits and the compounding effect. The only way, in my analysis at least, that we will ever retire debt is through budgetary surpluses and I don't imagine that'll ever happen, certainly not with this government; or secondly, through balanced budgets in concert with tremendous inflation. I know this government and probably indeed the Government in Ottawa is looking, and probably hoping, for a rampant inflation when \$10 in provincial debt is small in proportion to total activity measured in inflated dollars of possibly \$30 billion on a provincial scene.

But regardless of whether one accepts my logic or not, one cannot escape the fact that \$280 million this year or 9 percent of the Budget is being directed towards financing the debt and knowing that debt is not being retired and is growing rapidly took me to page A.9 and this particular table is titled, Mr. Speaker, "Province of Manitoba Direct and Guaranteed Debt by Purpose."

I did a few calculations and I can see where in 1980 the provincial debt increased by some 1.6 percent over '79, and in 1981 it increased by some 2.8 percent over '80. But in 1982, Sir, it increased by some 13.3 percent over '81 and for 1983 it's projected as increasing some 12.8 percent. Where will the debt be, Mr. Speaker, in March of 1984? Will it be at \$6.5 billion and where will it be one or two years after that?

I know we have these debt figures and to a lot of people they're meaningless, their numbers are so large and they're boring in themselves and I'm wondering why the Minister of Finance does not give us his best estimate of statistical debt obligations for the province for the next three or four years. Why can't he do that? He can build in an assumption of interest rates of 10 percent and let the people of Manitoba know what percent of the total revenue coming forward will be used over the next two, three, four or five years towards servicing debt. What will our interest rates be or what will the debt servicing charge be? Will it be \$500 million two years from now? I don't know, but when you look at the debt you seriously have to ask yourself.

Mr. Speaker, I've gone through a long, detailed process because it is the only rebuttal that I have for the Attorney-General who makes the comment on Page 503, and I think at this time he was chastising us - Page 503 from Hansard - and he says, "You're looking for \$300 million, tell us where you're going to find that \$300 million. I'll tell you what you'll say if you're honest. You'll say, kick the crutches." Kick the crutches. You know that's sort of like the rallying theme for the members opposite, that particular phrase. It's like a war cry and every time you try and bring the debate around to talking seriously about numbers and where we're headed, the members opposite fall back upon that particular phrase, kick the crutches.

Mr. Speaker, I want to say no one wants to kick the crutches, but to say that you do not want to do it, to not bite the bullet and address the horrendous problem of debt, is not going to prevent the crutches from collapsing. I think the crutches are going to have to move a little bit more slowly; they're going to have to move a little bit more prudently; they're going to have to move a little bit more specifically, because as Dr. Mason says, and again he says it best, "The more they go into debt to maintain services, the less money they will have for those services." I don't sense a recognition from the Members of the Treasury Bench that they're prepared to deal with that problem. I really don't, Mr. Speaker.

I do not care really who is in government, whether it is them or us during these days, you're going to have to address that particular problem and you can't go on saying everything is going to have to stay as it is and the fact that the economy is not producing has no bearing on our situation. What conclusions do you come to? How do you try to resolve the problem if you're government? Taxation will not provide the answer and I don't have time to detail why. Certainly individual wealth and fixed assets is really nothing more than steel and concrete and it sometimes bothers me that members opposite tend to feel that wealth in the form of some structure is in itself taxable and should be bringing forth great revenue.

I don't think they seem to realize that only if that concrete and that steel is productive, that's there's energy associated with it, does it employ people and therefore create wealth. Borrowing won't do. Indeed the Member for Lac du Bonnet said in his speech on Page 485 of Hansard and I quote, "So, Mr. Speaker, what we are really talking here is that there is some responsibility on the part of us all to leave the message out there that we must lower expectations during these times; that until we have economic improvement that

we can't place new demands on the system." He finishes his statement by saying, "I don't believe that red ink is the solution to improve social programs. I don't believe red ink is an answer. I don't believe, Mr. Speaker, that you can underwrite now what is commonly referred to as software programs by larger deficits." What surer, what more definite remark do you need than that? If they won't believe us, I ask them to at least accept that view from their own colleague.

Mr. Speaker, taxation won't do it, borrowing won't do it and I can tell you socialist dreaming and planning and hoping for a better tomorrow won't do it either. Social planners would have you believe that if government owned the resource, or if Canadianization were further along, or if so-called tax loopholes were all closed, or if C.P. was 25 percent owned by the government, or if new legislation was introduced to guarantee employment for every individual in this land and or and or and or - and you could go on ad nauseum adding to that list. They would have you believe that our problems would be resolved; there would be no problems. Maybe they are right, but what they can't tell us is how you get from where we are today, from their dreamed, planned world of tomorrow. They haven't been able to show us the path because there is no path, I submit, Mr. Speaker, because you can't ignore where we are today and how we got here.

**A MEMBER:** The yellow brick road.

**MR. MANNES:** You can't ignore our system; you have to accept it and to try to plan your way into a better world is really running away from reality. So there's no way that any long-term socialist planning, in my view, will in any way resolve the problem we're at today.

Certainly the answer is not hoping and praying for economic recovery. I say to you that hoping and praying will lead to catastrophe, particularly if it doesn't occur. I guess I want to hear from the Minister of Finance some positive and some - how can you say? - remarks came out of his conference that was in Toronto I believe, that led us to become more hopeful with our situation and I want to hear the rationale for that hope because, in all sincerity, as I look out my window and attempt to come to grips with what I see, I don't see any great cause to rejoice.

So what will provide the answer, Mr. Speaker? Well, I think my colleague for Turtle Mountain said it yesterday, one of the reasons why we attack the MGEA Agreement, and he said, if you remember, that one-half of the provincial spending goes to public-sector wages and that is \$1.7 billion. Now, remember what we said about the very generous agreement made to the MGEA. Remember we said one year ago, when the new agreement was first put into place, we asked the government to be absolutely, totally sure that it was doing the very best thing for the province. Because of that agreement signed a year ago, I think we are paying dearly today.

Mr. Speaker, the options of the government are limited. We understand that. But I say there is no need for social services to be reduced greatly; there is no need for the crutches to be kicked out. I still think we can offer the same level of social service at a reduced wage cost. I say that reducing the increase in public-

sector wage cost is not synonymous with reducing social services or as the Attorney-General says, kicking the crutches.

Then of course, Mr. Speaker, we hear the war theme. Let's pull together; we've done it before. If the goal is large enough, let's do it again. But when I hear in the United States that U.S. Steel workers have agreed to go back to work for a 7 percent cut in wages, when I hear today the Red River Co-Op employees have taken a 10 percent cut and I know grain farmers are going to be having a 15 percent cut in net income next year, I say, where are the war rallying calls to the other sectors and the other people within this industry of ours?

You know the problems of economic woe. You know, they feel that everybody will rally to the calls of economic woe on one hand; on the other hand we have the MGEA state to us that they receive a 27 percent increase over 30 months. I suppose we could support the government in this war approach if we could see where one-half of their total expenditures directed towards public-sector wages were, in fact, also coming under the scrutiny of that war cry and that war call.

Well, Mr. Speaker, I could go on I suppose for a long time, but the Estimate and Revenue Reviews will provide, I'm sure, the necessary opportunities for more detailed comments later.

Thank you.

**MR. SPEAKER:** The Honourable Member for River Heights.

**MR. W. STEEN:** Thank you, Mr. Speaker. I would like to participate in the debate on this motion of the Supply Resolution and discuss through you with the Members of the Chamber, some of the issues that are on the mouths of the various constituents that I have been talking to in recent weeks, whether they be constituents of mine in the particular constituency of River Heights, or they be Winnipeggers and Manitobans in general. But one issue, Mr. Speaker, I would like to say a few words about is the recent actions of the Government House Leader. A lot of persons have been asking me what has happened and why was the Leader of the Opposition, rather than just ejected like previous members have been from this Chamber for the remaining portion of that sitting day, why was he ejected from the House for a four-day period.

**MR. A. BROWN:** Ask Rollie.

**A MEMBER:** Gulag justice.

**MR. W. STEEN:** We have, Mr. Speaker, precedent since you have been Speaker where the Member for Roblin-Russell and the Member for Fort Garry and the Member in front of me from Arthur, have been ejected for their activities in the House for the remainder of the day. They have returned to the House the following day and nothing has been said and the business affairs of this House continue on. Why the Government House Leader on Friday last, chose to move in his motion that the suspension from the House be four days rather than the normal one day period, I guess can only be answered by he, himself. I would say that most persons that I'm talking to say that the government with their

majority, Sir, just wants to get rid of the Leader of the Opposition from the House here because he's a thorn in their side. He's a thorn in their side and he bothers them to no end

**A MEMBER:** Right on.

**MR. W. STEEN:** All one has to do, Mr. Speaker, is read last Sunday's edition of the Sun where the Finance Minister was interviewed and he stated in his interview that the finance critic for the Conservatives, yes, he does ask very positive questions and so on and that the Leader of the Opposition has a pattern to his form of questioning. But one reading between the lines has no trouble figuring out that the Minister of Finance or any other Minister over there sort of shakes in their boots when the Leader of the Opposition stands up and asks them questions.

So, Sir, I would say that the Government House Leader, using his prerogative and using his majority in this House in making such a motion to suspend a senior member from the Opposition for four days from this House . . .

**MR. G. LECUYER:** He should know better if he's senior.

**MR. W. STEEN:** You know, when one thinks back of the political history of that individual, the Government House Leader, one wonders what this province is coming to.

**A MEMBER:** Right on.

**MR. W. STEEN:** I think members on this side could have accepted such a motion from the Minister of Natural Resources far more easily because we know of his political background and it is somewhat different from the Attorney-General or the Government House Leader. So, persons on the avenue, Mr. Speaker, are wondering whether the Attorney-General is trying to silence the Opposition. So, Sir, those are my comments regarding the recent activities in the House.

Mr. Speaker, much has been said both in the Budget and in the Estimates, about the \$200 million Jobs Fund. I can't help but make some comments about the Labour Minister and her remarks when she spoke during the Budget Speech Debate and her speech was totally on the \$200 million Job Creation Program. She mentioned that there would be northern job creation; there would be home insulation loans; there would be wage assistance programs; there would be capital works programs. Sir, as long as I can remember anything about government or politics, every government has instituted those programs.

I can recall when I was a City Councillor that the Provincial Government of the Day was constantly coming out with winter works programs in co-operation with the Federal Government and assisting municipalities to try and keep their work forces active during the winter months, whether it was expanding parks programs or clearing brush or doing other meaningful jobs.

Wage assistance programs - the Federal Government has for years, Sir, worked alongside employers and assisted them in paying a portion of the wages of



persons that they would hire to come on staff and particularly if they were taking unskilled persons and training them.

Home insulation loans, I guess have been going on now ever since energy prices rose to the levels that they have been in the last 10 years. I am sure that the Federal Government regrets some the loan insulation programs they've been involved with, now that they have ruled those insulation programs unacceptable.

Northern Job Creation Programs - I remember when former Premier Duff Roblin was running in the December election of 1962, and they talked about Manfor at that time and the jobs that Manfor would create in The Pas area; you go back to the Campbell Government, who was involved in attracting Inco to Manitoba, and the start of the now city of Thompson. So these job creation activities and programs, Sir, have been going on for years. They're nothing new.

The Minister of Labour made such a fuss about how the socialist government went out to Portage la Prairie last fall and held a Summit Conference which included labour, government and the private sector. Governments have been holding such conferences with parties from those three areas for years.

One only has to think back to 1967 and 1968 when Sid Spivak and the Roblin Government came in with the TED Report. I know that the Minister of Health was around here at that time when Spivak brought in the TED Report and the great fuss that Spivak and his department made over the TED Report, so much so that the Winnipeg Sales and Ads Club chose Sid Spivak as the salesman of the year for Manitoba. So job creation programs and summit conferences, Mr. Speaker, have been going on for years.

I wonder where the new programming in this \$200 million expenditure is. My fear is that we're going to see a lot of temporary jobs created; we're going to see a lot of paper pushed across desks of government employees and particularly if they are going to enter into joint-funding programs. By the time that the Federal Government gets its act together and the Provincial Government gets its act together and agree upon a job creation program, we'll be out of whatever season that job was going to be looking after and that job will likely be postponed for a 12-month period.

**A MEMBER:** There's always next year.

**MR. W. STEEN:** So, as one of my colleagues says, there's always next year. That's the difficulty about these job creation programs, when you have to interlock governments and you have to get employers to keep tabs on employees and fill out six and seven sheets on every activity that was undertaken by that employee, so that employer can get his or her rebate back from the government, because he or she created an extra job within their manufacturing plant.

I would say, Mr. Speaker, that the payroll tax had more effect on employers and employees than any job creation program. A personal friend of mine, who owns four pharmacies - it was going to cost him \$8,000 a year on the payroll tax. All he did was eliminate 1-1/2 employees from his payroll which was in excess of 20 persons in these drugstores, so he's operating four drugstores today with 1-1/2 less staff persons than he

did prior to, what I refer to as, the unemployment tax, the payroll tax.

The next move when we talk about taxation, Mr. Speaker, that this government is going to be considering will be the personal income tax on gross income. I am sure if they can ever get permission from the Federal Minister of Finance to implement such a program, it'll be put on very quickly. Naturally this socialist government would prefer to go into such a method of taxation because they would just sit there and wring their hands as the doctors and the lawyers and the contractors and the architects, who will be the large payers into such an income tax scheme, because if you're going to be talking about gross income, it's going to come right off the top - the Minister of Municipal Affairs, because he is now in a high tax bracket and earning a high income now that he is fulfilling his position, Sir.

The Minister of Labour referred in a press release, Mr. Speaker, to a number of specific job undertakings that were going to be created through this Jobs Program; I noticed that many of them are for Northern Manitoba. — (Interjection) — Yes, I would agree that unemployment in Northern Manitoba is likely as high as it is in any specific area of Manitoba but why does the forestry project Manfor, Thompson Improvement Project, Northern Youth Core, housing improvements in the North and so on, are being given such high priority with this government?

What was very disappointing was when the Minister of Urban Affairs spoke during the Budget Debate. He spent most of his time defending the settlement that his government gave with the Manitoba Government Employees Association and I believe, Sir, that he had about one or two — (Interjection) — yes, he has a labour background and I understand that he was fairly competent in that field. As Minister of Urban Affairs, I doubt if he has 15 words in Hansard as to where the Job Creation Program is going to assist Winnipeggers and how it's going to help the core area. If I can recall correctly, Sir, the Minister of Urban Affairs said that he had a good relationship with the councillors of the City of Winnipeg and that he hoped that they might take advantage of this plan. That was about the extent of his comments in relation to the City of Winnipeg regarding the job program assistance.

I notice that in the press release that was released prior to the NDP Annual Meeting that the delegates at the recent weekend conference of the NDP spend more time discussing urban issues than the Minister has in this House. When they talked about an issue that, as a resolution, and I don't know, Mr. Speaker, what happened to this one but I will ask the Minister during his Estimates what his intentions are and that is having the mayor elected from the City Council itself rather than elected by the citizens of Winnipeg.

You will recall, Sir, when a former Mayor of the City of Winnipeg, Steve Juba, also a former Member of this Legislative Assembly, came in and sat in the loge, then got up to speak from the loge and had to be ruled out of order by the Speaker of the day for trying to enter into a debate to have the then Minister of Urban Affairs change that aspect of The City of Winnipeg Act. The Government of the Day, being the NDP Government, did change that and I think that most Winnipeggers would prefer to vote for the mayor themselves rather

than elect a councillor and take their chances on that councillor going on forward and electing the mayor for the city.

**MR. W. MCKENZIE:** Good thought.

**MR. W. STEEN:** The Minister of Urban Affairs did have some nice things, of course, to say during his comments. He said that we're in difficult times and Manitobans are known to be a sharing type of person. They do pull together and he cited that during our past forest fires and floods that Manitobans, regardless of their political stripes, do get out and help one another. Nice motherhood issues but he hasn't commented on the core area.

Speaking of the Core Area Initiatives Program, Mr. Speaker, they have been government now for 15 months and the only activity that I have seen on the Core Area Initiatives Program is the appointments of key people who are going to run the program. Bring a man in from Toronto at better than 50,000 a year, hire a girl away from CBC at 35,000 a year to be information officer and so on. You don't actually see any activity taking place and his Deputy Minister said during the last election that if the Conservatives were re-elected they would scrap the program and they wouldn't proceed with it. Well, whether we would have scrapped it or not, I say that the Member for St. Norbert signed it in good faith and I believe him, but I would have hoped that at the 15-month mark in the new government, that we would have had more activity and more results as a result of initiating and working along with the other two levels of government on such a program.

The Minister of Urban Affairs talked about how members opposite, meaning the opposition, refer to the agreement that was settled by the Manitoba Government Employees Association with the government as being a sweetheart deal and he cited some examples of where the government in the past have given higher percentages. But those percentages, when agreements were entered into at higher rates, were during more affluent economic times. Also the one incident that he referred to and I believe it was the Hospital Services employees and he said that if the cost of living went up by 10 percent in a certain time period, then the agreement would have to be opened up. As it turned out — (Interjection) — Pardon? It was with the doctors, I'm told. Well, I said Health Services which is not far away from doctors, that it would have to be opened up if it was 10 percent. But he said that it was about 9.8 percent, yet the government still opened it up. He also mentioned earlier in his remarks that economists and accountants can do anything with figures and I'm sure that if somebody comes up with a figure of 9.8, it wouldn't be very difficult to start to play with the figures that generated that 9.8 and turn it out to be about 10.3. It's my understanding that the Government of the Day sought a legal opinion and that the legal opinion said, yes, you had better open up the negotiations. So they went ahead and did so.

My answer to the Minister who says we gave them 15 percent is that settlements in those days were greater than they are today because the economy was in a better state of mind at that time — (Interjection) —

yes, and someone makes reference to the Red River Co-op workers taking a 10 percent pay reduction today in order to keep their jobs. A few years ago that was almost unheard of, Mr. Speaker, having employees taking less money and so on.

Mr. Speaker, I want to move on to a few other subjects and one that I have been following fairly closely, both when it was started by the former administration and carried on by this administration, and that is the pension reform in the green booklet or report that has been issued, and make some references to that pension reform. There is no doubt, Mr. Speaker, that if the government brings in a bill to make some changes to The Pension Act and to make some reform in relation to pensions, that there are some areas that Manitobans can vitally use in improving their pension programming. One of them certainly is vesting. Nowadays, a young person has to wait until they have reached the age of 45 or have served with a person for 10 years before they can leave that employer and carry his portion of the pension contributions with them. This I have always thought of as being grossly unfair and I would hope that the vesting rights would be considerably reduced and I agree with the locking in of pension monies.

Too often you see people nowadays, where the average person will have between six and nine jobs in their lifetime, leave one employer and go on to another one and all of a sudden it might be the month of May and they have a right to take their pension monies and pay the income tax on it, but the sun is shining and it's May 24th weekend and the guy down at the marina is selling a beautiful outboard motor that's worth about \$5,000 or better and they take their pension money and run down to the marina and buy that boat. That boat is no longer with them a few years later and long gone is the pension monies. So I would certainly agree that the vesting changes are necessary.

Another area that I'm familiar with which is referred to in that report, Sir, is the early retirement. Any of the persons that were City Councillors — and perhaps the Minister of Urban Affairs — would be familiar with the story on the Winnipeg Police Department where some of the suburban police departments had age 65 as retirement, but the former City of Winnipeg had age 60 as retirement and the then chief, Norman Stewart, chose to accept the ruling that would favor himself the most and that is to opt into the plan that had 65 as retirement as opposed to 60. Therefore he stayed on as police chief five years longer than all of his predecessors. I think that early retirement has to be, in some cases mandatory, if it's properly funded and certainly people who choose to take early retirement, and if they do so on an actuarial basis, then nobody really loses on it.

Mr. Speaker, talking in the area of the pension funding, I'd like to make a few comments about the Throne Speech comment that referred to the government going into the life insurance industry or having a serious look at it, perhaps having the Manitoba Public Insurance Corporation going into the life insurance business. On Monday morning of this week, I was at a breakfast and I was talking to a senior person from the Monarch Life and I said to that person, "When did you find out that Monarch Life had sold their shares to the North American Life Assurance Company in Toronto?" And he said, "The day before the public were notified." He

said, "I doubt if any of our senior officers knew about it any more than three or four days in advance." So I said to him, "Why do you think Monarch Life, after having a profitable year last year, wanted to sell out to an eastern firm?" His answer was that Monarch Life have many agents throughout Manitoba. They are the medium-sized life insurance company in Manitoba. When I say the medium-sized company, I'm referring to Great-West Life as very very large; it's the fourth largest company in Canada; they do two-thirds of their business in the United States; they have their American home office in Denver, Colorado and what this government does in the way of life insurance I'm sure isn't going to bother the Great-West Life too much. But it certainly had an effect on Monarch Life, according to this individual from Monarch Life and I am sure that the principals of Monarch Life said, well, I guess it's time to get out of Manitoba and they started negotiating with other life companies to see who was interested in purchasing their assets and so on. As it turned out it was the North American Life out of Toronto and if anybody knows anything about The Life Insurance Act, no company can own a subsidiary.

So what we're going to see over the next two-year period that has been granted to them by the Federal Minister, is that Monarch Life is going to disappear completely and it's going to be the North American Life out of Toronto. There are 300 persons employed here and the North American Life is not going to need the 300 people down in Toronto to help them run their computers. They're going to be able to take the business that Monarch has, add it to their computers and I doubt if 10 percent of the people from Monarch Life will be needed by the North American Life people.

But, Sir, I will predict that if this government is in office in the spring of 1986 - if they choose not to go to the people in the fall of 1985 - that by January 1 of 1986, the sign on the Monarch Life Building will come down and the Manitoba Public Insurance Corporation sign will go up there and that will be the new home office for the Manitoba Public Insurance Corporation and if they want to get into the life insurance business now is the time to get into it because I am sure that there's a goodly number of senior people at Monarch Life who don't want to move from Winnipeg to Toronto, or haven't got a job even if they do go to Toronto.

I can see the former Minister of Public Works, the Member for Elmwood, he used to want to build a building for the Public Insurance Corporation down by the City Hall and those plans were scrapped by the Conservatives when they were in office and they leased space for the Public Insurance Corporation. But I am sure the powers that be in the Public Insurance Corporation, their senior officers will still want to be like Saskatchewan Insurance and have their own building. So, Sir, I predict that the Monarch Life building in '86 will be the home office of the Manitoba Public Insurance Corporation.

Mr. Speaker, I've a few comments regarding some of the resolutions that appeared before the recent NDP Convention and one of them is the rail relocation - they talked about rail relocation - and make some comments on the rail relocation. I recall prior to Uncity in 1971 the former Metro Council . . .

**MR. A. ANSTETT:** What does this have to do with Estimates?

**MR. W. STEEN:** There is an Urban Affairs aspect to the Estimates. There is a Minister drawing a salary and he's got a Budget of \$66 million in his Estimates. In speaking of rail relocation at that time, Sir, they were talking about moving the CPR Yards outside of Winnipeg and placing them around the City of Winnipeg to the north through the constituency of Selkirk, perhaps, where maybe more than 100 years ago it should have gone but that's not where it did go.

I wonder if the people in the R.M. of Rosser and the people in the R.M. of St. Andrews want to have the CPR Yards located in their municipalities and if so I would say to the First Minister, who is going to pay for the extra mileage of hauling the trains around the City of Winnipeg? Ten years ago the figure was 10 cents per boxcar per mile of extra charges, so with 100 trains going through the city per day it can be a very expensive proposition. So we'll find out during the Minister of Urban Affairs' Estimates as to whether he and his government are going to pursue with rail relocation programming and plans and continue to force and pressure the Federal Government into co-operating in the funding.

They've also talked about mandatory seatbelts legislation and it'll be interesting to see when the Minister of Highways brings forward his legislation on the mandatory seatbelts — (Interjection) — yes, I have an opinion on mandatory seatbelts. I personally, never use mine. But I would agree with the medical people that they have proof they are better for people and there are, perhaps, less serious accidents for those that do use them. But I've also known of people in the rural areas that have tipped over into ditches and because they were tied into their seatbelts they drowned in their vehicle, and so on.

Another issue, Mr. Speaker, that I would like to touch on - and the Minister of Health is present - it's the abortion issue and the Dr. Morgentaler issue.

**MR. A. ANSTETT:** Is that in the Budget too?

**MR. W. STEEN:** The reason why I have an extra interest in this particular issue is because the doctor and his people have purchased property on the edge of the River Heights constituency, on Corydon Avenue. That area of the city, Mr. Speaker, has a 25 percent higher than normal Roman Catholic population and the St. Ignatius Catholic parish at the corner of Stafford and Corydon is one of the oldest and largest Catholic parishes, and where does Dr. Morgentaler choose to purchase property? Within 150 yards of that parish. You go to the north about four blocks and you have the largest Girls' Catholic School in the province, St. Mary's Academy. You go about 1/2-mile or 3/4-of-a-mile to the east and into the Attorney-General's constituency and you have the largest Italian Catholic Church within the City of Winnipeg. So he's got his clinic just situated perfectly between two large Catholic parishes and the largest Catholic Girls' School.

Sir, I have many constituents in my area that have strong feelings on this issue, many of them I will admit do come from the St. Ignatius parish and are definitely opposed to Dr. Morgentaler having permission to practise his form of medicine in this province.

I might add that a couple of weeks ago I saw on the CBC National, they did a special on the issue and on

that particular program not only did they show scenes from the great debate at the University of Manitoba between Morgentaler and Joe Borowski but they also took their cameras into his clinic in Montreal and showed him interviewing a young girl for a period of 5 to 10 minutes and agreeing, upon such a short conversation with that woman, that yes, we'll proceed and you can have an abortion, we'll give you an appointment, come on in. The Free Press did a report on it and it says that on an average they perform 11 operations a day, the maximum he's ever done is 22 in one day, and in this particular television newsreel it showed the girl being prepared for her operation, three nursing assistants to help and the doctor is gowned like any doctor would be in a Winnipeg hospital. But at the same time he's breaking in a new doctor to take over and assist him.

I noticed in this particular film clip that the new doctor isn't even gowned the way that personnel in an operating room should be, he's standing there in his jeans and a plaid shirt. So it makes you wonder how they can operate out of a house and still have the same cleanliness of a hospital. I would say, Sir, that if the Minister of Health needs any support from members on this side of the House on stopping Dr. Morgentaler from coming to Manitoba, he's certainly got a supporter in myself.

Mr. Speaker, many members from this side of the House have made reference to the Budget and its deficit and my comment on the deficit is that it's reported at \$578 million. I believe, like members on this side, that it'll surpass \$700 million this year and by the time the next election rolls around it'll be a \$1.2 billion to \$1.3 billion at least and that makes me recall a comment that Sid Green said one time in committee: "When the socialists are in office that they'll take two steps forward and when they go out of office the Conservatives will come in and they'll take one step backwards." If we keep changing places all the time on every election, or every second election, socialism will creep forward because of them taking the two steps when they're in office.

When you look at the large deficit that they're going to be carrying into the next election, if a Conservative administration is successful they're going to be sitting there with an empty cupboard having to make some sense out of perhaps \$1.2 billion in the form of a deficit to try and carry on some of the social programs and pay off the debt.

In the speech that was referred to by the Member for Morris, when he referred to the Member for La Verendrye commenting, and one of the comments that the Member for La Verendrye mentioned the other evening in his comments was that, as a farmer or a small businessman, and you go in to see your banker and he talks to you about what it is costing you to borrow money to stay in business, perhaps you can get away with your banker if it's approximately 5 percent, but when it starts to cost you more than 10 percent per year to stay in business in the form of interest charges, that's when the bank starts cutting you off. Unfortunately the only way governments can get cut off is at election time.

Well, Mr. Speaker, as we enter the next few days into a line-by-line detailed study of the various departments and their Estimates, I would presume that the

Government House Leader is going to start a systematic system of calling the Utilities Committee and having Hydro and Telephones come before us and report. I might tell the Premier that members on this side are certainly looking forward to Hydro coming before the Utilities Committee. I, for one, would like to know how much the Chairman has been spending as a global traveller as he travels around the world? I would like to know whether some of that travel is due to the fact that he is an advisor to the Minister of Finance, or is he working for the Hydro Corporation as its Chairman.

**MR. A. ANSTETT:** Brilliant man.

**MR. W. STEEN:** So, members on this side, Mr. Speaker, are certainly looking forward to the various utilities coming before the Utilities Committee and getting the facts from the Chairman of Hydro.

**MR. A. ANSTETT:** Let's debate the motion.

**MR. W. STEEN:** The Member for Springfield says, let's debate the motion. I think I am covering government business. Well, Mr. Speaker, they have come through their great NDP Convention.

**MR. D. BLAKE:** Flying colours.

**MR. W. STEEN:** Sure, I might tell the Minister of Natural Resources that when his side was on this side they used to get up and read from the Conservative Manual and they would read it word for word back to the government and so on. So, it's been done by his side when they were over on this particular side of the House and I am sure that . . .

**HON. A. MACKLING:** . . . any writing by the Tories.

**MR. D. ORCHARD:** It's only because you can't read Al.

**MR. R. BANMAN:** I think we have a few copies in brail for Al.

**MR. W. STEEN:** Well, the Minister of Natural Resources has certainly seen my colleague, the Member for Roblin-Russell, on many, many occasions, get up and dangle the Pawley promises in front of members in this House in the past 17 months and I am sure he hasn't lost that pamphlet. Perhaps that copy is wearing out and he will need a reproduction.

But, Sir, as we get into the line-by-line study of the Estimates, as I mentioned, I hope that we'll get these other committees going in the mornings and we will proceed through the various departments in a normal orderly fashion and I hope that the Minister of Health is still in his position when we get to the Health Estimates and he has still done everything in his power to keep Dr. Morgentaler in Montreal because we don't need him here in Winnipeg or in Manitoba.

Thank you, Mr. Speaker.

**MR. DEPUTY SPEAKER, P EYLER:** The Honourable Minister of Health.

**HON. L. DESJARDINS:** Thank you, Mr. Speaker, I must say that I never thought for a minute that I would

participating in this debate, especially when we've had a debate on the Budget already. I am not suggesting for a minute that anything is out of order, I just want to say that if my remarks are even more disjointed than usual you'll know why because there hasn't been much preparation.

Nevertheless, I think that I should say a few words for a couple of reasons that I can think of. Somebody was kind enough, on the opposition side, to remind me that I shake in the presence of the Leader of the Opposition, so I must hurry and make my contribution when I don't have to shake and I feel a lot safer.

Secondly, there were a few things that were said during the Budget Debate that I take exception to. I would like to, in view of the fact that the speaker that just sat down talked about the decision to keep the Leader of the Opposition away for, he said four days, it was three days and an hour and ten minutes or something, and I think that should be answered. I am not going to, Mr. Speaker, remark on what happened, that is the vote that we've had, that is finished; that is the procedure that we go through and usually when something is settled I think it is obvious that everybody knows we're not supposed to keep on rehashing that and talking about that speech after speech, and month after month, and year after year.

But, what I want to say, Mr. Speaker, is this that these things they said, well, why were you so harsh? I want to say that I support the action of the House 100 percent. Now, the gentlemen that just sat down is quite a hockey fan and he's been around sports for a long time and he would know probably - I think there is a certain value in the training that you get in sports - that if there was no order, if there was no referee, or when a referee in a hockey game has no control of the game at all, it is impossible. I think if there is no control in this House it is impossible to conduct the affairs of this province.

Now, you might have somebody that is going to trip someone or throw a punch and he'll get a penalty. Fine, and it's done in the moment, the spirit is heated up a bit. But, if you go ahead and punch the referee in the nose before the game, what would happen? Now the rules says that the maximum is two weeks and he received three days; he received three days.

**MR. S. ASHTON:** Five minute penalty.

**HON. L. DESJARDINS:** Let's remember, Mr. Speaker, rightly or wrongly, there are rules in this House. It is not the Speaker that I want to defend, it is the parliamentary system, because without that we're finished and you're just as bad off as we are. When you came in before Christmas the statement was made repeatedly that you're finished, Sir, pointing a finger and threatening and telling this to the Press in the hall, and in here he repeated, your leader repeated five times, that you're finished and you've got yours, we're going to see to that. That was harrassment and you say that three days is too much; you say that three days is too much. I don't think you can be too serious when you say that.

**MR. R. BANMAN:** Malinowski, for Speaker.

**HON. L. DESJARDINS:** Now there's a few other points that I want to cover. An awful lot was said, of course

- you know, if you'd come and sit in your seat, it would be easier.

**MR. J. DOWNEY:** Resignations are what we're most concerned with.

**HON. L. DESJARDINS:** You want me to cover that, okay I'll talk about that. I've never hidden behind anything. All right, I'll tell you about that. Okay, let's talk about that — (Interjection) — You're not big enough either, so that makes two.

Mr. Speaker, we've talked about the clinic, the supposed clinic. Well, the statement was made by the Attorney-General that if the doctor comes here or if anyone comes here and breaks the law, he'll have to suffer the consequences. That is very clear.

**A MEMBER:** You'll have to suffer.

**HON. L. DESJARDINS:** No, he'll have to suffer the consequences, and as far as the licence that was given to him by the College of Physicians, they are giving him a licence to practice medicine in a legal way. If there's any danger to their health also, that will be examined and the college would remove his licence. So I want to make quite sure that there's no one on this side that said that we will condone anything that is illegal or that is dangerous for the patient.

I might as well tell you right away what my situation is. My situation, I hope, is the same as anybody in this House. A party to be successful has to be broadly based and it is impossible that every person will agree with everything. I think that the art of politics is compromise, but as far as I'm concerned and I would hope that this is the same for every single member of the House no matter where he sits, I will never compromise my principle. I make that very clear and I would hope that anybody in this House, even the Member for Arthur, will feel exactly the same. — (Interjection) — Do you want to hear that or do you want to yap? You want to yap, you had your chance. Would you let me talk? You've challenged me. Mr. Speaker, I've been challenged to express my views — (Interjection) — Do you want to cover that? I'll cover that also.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. DEPUTY SPEAKER:** Order, order. Order please.

If members want to conduct a debate from their seats, they can pursue that debate in the halls. I'm having trouble hearing the Minister of Health deliver his speech on this motion. I would appreciate it if all honourable members would give him a fair hearing.

The Honourable Minister of Health.

**HON. L. DESJARDINS:** Yes, I think it is rather a serious topic that I am discussing. I don't mind having fun like anybody else, but I think when somebody is challenged to express his position he should have the chance to do so.

I say that I feel that I'm in the same position as anybody else. There are an awful lot of things that I like from this party; there are an awful lot of things that I'm ready to fight for. There are other things that

I don't like as much, and the day that any party will try to do something, or will do something, or will say if you want to be a member in good standing of this party or this Cabinet or this caucus that I can't do, I will do the only honourable thing and I'll walk out. I would hope that every member in this House feels exactly the same as I do.

I am not here to serve a party; parties are there to serve the public of Manitoba. The party to me is not the end-all and the overall, it is a means of getting people together with a broad base to try to offer a government and then you have another party in opposition that has certain ideas that they can do it better and that's what makes democracy. — (Interjection) — What's that? That's right, you're absolutely right. I'm an opportunist, I'm a real opportunist. I will go where I think my views, my principles, my conscience will be at ease and will be better served and if it means changing parties or crossing the floor, I've done it, and I'm not the least bit sorry.

Some of your members - in fact that member who is now bugging me - told me that they had research people look in Hansard to see if they can catch me off base and he said that I was very consistent, one of the most consistent in the House. He told me that. — (Interjection) — Yes, you told me that. I've been here for 25 years and there's Hansard. It's the Member for Pembina, I'm talking about.

**MR. DEPUTY SPEAKER:** Order.

**HON. L. DESJARDINS:** No, honest I did. You certainly did.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**HON. L. DESJARDINS:** And I've had 25 years.

**MR. DEPUTY SPEAKER:** Order, order please. Are the members ready to proceed?

The Honourable Minister of Health.

**HON. L. DESJARDINS:** Thank you for your kind help. It's true that at times it used to bother me when everybody was talking about socialism, but it doesn't bother me any more. It doesn't bother me because I know what I feel and I know that a social conscience is a real damn good thing to have. I would hope that if there is a change of government, he feels that socialism will improve, that people will see that and I hope that's true. I have no hang-up with free enterprise at all. I have no hang-up with free enterprise; I think that you have free enterprise providing it is fair and I think that also the government should be involved, especially if and when free enterprise will not carry the ball, if they can't or if they won't. Now the thing is I am not troubled with restraint at all. — (Interjection) — Did you want to ask a question? Yes, go ahead. He's busy.

**MR. DEPUTY SPEAKER:** The Member for Tuxedo.

**MR. G. FILMON:** Mr. Speaker, if I may be permitted a question?

**MR. DEPUTY SPEAKER:** Does the Honourable Minister of Health wish to answer a question?

**MR. G. FILMON:** Mr. Speaker, the member has just stated that he has no hang-ups about being told that he has a social conscience. Would he feel the same way if people suggested that he had a social disease?

**MR. SPEAKER:** The Honourable Minister of Health.

**HON. L. DESJARDINS:** Well, there's one, just cross him off the Leadership Convention after that. That's real sick. I don't know, I never had one. What do you think? Mr. Speaker, I have no — (Interjection) — Call it what you want. I know the way I feel and if I'm ready to see that people have a fair break, at least the poor sucker has an even break in society. Call it Communism if you want, well, if that's it, I believe in that.

**MR. C. MANNES:** Are you saying we don't?

**HON. L. DESJARDINS:** You speak for yourself. I'm not implying anything but you have a funny way of showing it. You know, what do we hear? Let's talk about restraint. You have been pushing, you've been talking about percentage. That is the most unfair thing in the world. You take somebody that's going to get - and when you talk about 6 and 5, no exception - let's take 10 percent of somebody making \$100,000, that's a \$10,000 increase, and somebody making \$10,000, that's \$1,000 increase. Now, that's just the start — (Interjection) — there's a lot of people making \$100,000.00. Now, the next year you've got \$9,000, the difference between \$10,000 and \$1,000, \$9,000 added to your base so you can again increase that in percentage. I will buy that the day that in the big shopping centres and shopping malls, there's different counters and they say, here, those making \$10,000, we're going to charge you that percent.

We talk about restraint and what is restraint when we treat people like that? There is no way that that is fair, there is no way. You know that 4 percent of the population around here gets 20 percent of the revenue. That's the fair way of doing it. When we talk about restraint, 30 percent of the income here does not come from wages, it comes from interest and from dividends. When we talk about restraint, did anybody at any time say we're going to put restraint on that, on profit? I should be shot - I said the word 'profit'. What the hell is restraint in your own family? You out there, shaking your head. In your own family if you have to budget, do you say to your kids, no more shoes? Do you say to your wife, that's the last dress you're going to have? And yet you drive your big car and yet you keep on buying Crown Royal. Is that what you think is fairness in restraint? I don't happen to think — (Interjection) — joke about it, it's funny - but if you were one of those people that were unemployed - and we're being criticized for trying to bring in programs to do as much as we can to create jobs in this country.

**MR. G. FILMON:** Like the payroll tax.

**HON. L. DESJARDINS:** Now, just imagine - yes, the payroll tax, it's a levy. Would you feel that we shouldn't

have any revenue at all? Did anybody tell us where you would put - and you're against this. You're against income tax which is ability to pay; you're against sales tax.

**A MEMBER:** We're not against sales tax.

**HON. L. DESJARDINS:** You're not against sales tax? Well then, you should be ashamed, you should. Because sales tax - you're taxing that same — (Interjection) — Oh, you're not against income tax but when you were sitting on this side you joked and said the highest income tax in the land, the ability to pay tax is brought in by the socialists. You're in favour of sales tax, you meant you were in favour of cutting income tax. Well, that's what you finished saying. You finished saying that when you come here you'd cut the tax and you don't like the deficit. Well, this year you have a unique opportunity because you've already had the Budget and now we'll start the line-by-line Estimates of the department.

I imagine that I'll be . . .

**A MEMBER:** Tomorrow?

**HON. L. DESJARDINS:** Well, sometime in this year, I guess. So, you mean to tell me that you are going to tell us, no, you've got a deficit, don't do that? I'll have staff here and I'll take note of everything you say and I'll tell you right now that I'll consider it very seriously, make certain cuts, if I'm given serious things I'll consider that very seriously and we'll take advantage of it. Do you realize also when you talk — (Interjection) — I would hear you better if you'd turn this way, then I can answer you — (Interjection) — well then, tell him not to shout. You must be deaf if he's shouting like that then.

Mr. Speaker, I'm not saying that everything we're going to do is going to be a real success. You've got to try things. We might fall flat on our face at times. But would you and the people of Manitoba expect less than we do our darndest to try to create jobs? We have jobs. You must know somebody that hasn't got a job. You must feel some kind of feeling. — (Interjection) — well, how do you feel? Well that's it, but you're rich but some people haven't got a rich father like your son. Well, it'll do you good, your wife will get to know you if you stay home once in awhile and you won't lose that much money gambling and playing cards.

**A MEMBER:** You're getting nasty.

**HON. L. DESJARDINS:** Just sometimes, but you're all the time that's the difference between you and I.

Mr. Speaker, I'm trying to be very serious but you won't let me because you don't want to hear these things. When you talk about restraint and tightening the belt, it's always the guy below you. I shouldn't say you - we, everybody - that's the way we do and we don't want to touch the top bracket. I am not saying that you aim at those people but if there's going to be restraint and if there's going to be a Budget and if people are going to pull together to go through this and don't - you're not getting anywhere by having

people think that Manitoba is the only place where there's problems.

In California they're in default; they're paying people with IOU's and you've got it in every country in the world. It's a difficult thing and it was brought in by some of the policies of Reagan and those people. There is no doubt that if people are out of work they will fight for jobs and they'll work - the climate that you like to call the business climate where the labour force will work for nothing - yes, it'll be good. But is that what we really want? Is this what we're all about where you're going to create an atmosphere, a climate, where all the businesses will want to settle in Manitoba? Then we will have a developing country where they'll use cheap labour, I'm not interested in that. Maybe the businesses will not come in. I was reading in Time Magazine last week that some of the businesses now are saying, we're staying here, only they're blackmailing the cities; most of you probably read that. Is that the kind of climate we want? Is that the situation?

I don't want to get rid of free enterprise, not a bit. But I want free enterprise to be fair. I want some of the money to be used here. If we have to put in controls and I'm all in favour of control but not only wage control; wage control will hit certain people - if that, there should be price control and profit control. There's got to be a way, certain kind of taxes - you yell at that. You say that we want to attack free enterprise if we bring in fair taxes. You take the United States as a model and you have millionaires that have all kinds of loopholes that don't pay a cent in tax and I certainly don't think this is right. When I say there's 30 percent of the revenue here that is coming from dividends and profit, not from wages and we're not talking about controlling or putting a cap on that 30 percent.

Now, you know, we've heard an awful lot - not so much this session - about Alcan and so on. I want to tell you something, that a couple of weeks ago I met the Vice-President of Alcan and I put the question right straight and I said, why did you leave Manitoba or did you have an agreement with the former government and he said, no we didn't. We definitely wanted to - and I asked him, is it the government? Tell me straight. He said it had nothing to do with the government, it is the world thing. And he says, we are still looking at Manitoba but we're not going to tell them that because you don't keep saying to people, well maybe four years, five years or six years. We haven't forgotten but right now we don't need it; we couldn't do it. We could not exist; there's not that demand and there is no way that we could have a plan anywhere else. — (Interjection) — I beg your pardon? They were in Quebec and they are in Quebec; and why are they in Quebec? Are they going to put a match to their plan to build another one here? They're concentrating where they are.

**MR. L. HYDE:** Go to the top.

**HON. L. DESJARDINS:** Well, I'm telling you exactly what the Vice-President of Alcan told me. Keep on talking. I've got to read my notes.

We're talking about the Budget. As I say, my Budget is about one-third of the total Budget and I hope that you people are going to take it seriously and give me some advice. I want to know if you don't want a personal

care home in your area, we'll take that very seriously and I'll take that down and some of these services that you want to cut, if that's what you want. But don't just say, "I want more," and then tell us we had a deficit. Remember that our deficit wouldn't be so big if we didn't have that job creation thing that we have to do. All right, I'm not going to answer the opposition, the Minister of Finance already said that he would answer that and I'll listen. I want to see what is right. I'm not a genius in finance and I'm very interested to hear the answer.

There is another thing that people forgot. The formula that you had when you were in office, the change in formula for Education and Health is going to cost Manitoba \$700 million in the next five years and that's a lot of money, Mr. Speaker. — (Interjection) — I beg your pardon? You certainly did. As soon as we left office in '77, they changed the formula and you got a real bonus - and the former Minister of Finance will tell you and the Minister of Health will tell you and if they don't, we'll tell you, because I can get all the figures of the money that you received - and now in the four years you were there, then as soon as we took office there was a change and now it's going to cost us \$700 million in the next five years.

**MR. D. SCOTT:** That's because they're lousy negotiators.

**HON. L. DESJARDINS:** Exactly. You can't have it both ways. That was the formula that did it.

**MR. D. SCOTT:** Once they blew the formula they called an election.

**HON. L. DESJARDINS:** Sure, that's right and I think that's how you get people, by getting jobs, we don't disagree with that. But are you going to say, getting jobs period? In other words, if they're going to pay them the lowest wages, unfair wages, do you want that? — (Interjection) — Well, I'm asking a question. Do you want that?

**MR. D. ORCHARD:** That's silly.

**HON. L. DESJARDINS:** No. All right, answer me. Therefore there has to be rules for free enterprise too. I've got two words on that and I've used them five times already. I've got to keep looking at the clock for a minute or so. — (Interjection) — This is the first chance, I enjoy it so much; I enjoy it. It's the first good conversation I've had with you for a long time.

**MR. D. ORCHARD:** Yes, like that last one we had.

**HON. L. DESJARDINS:** Oh, yes, not that one. This is going to sound real funny in Hansard. I hope I don't have to read it. If you've got somebody warmed up I might sit down if you tell me who the next speaker is. Who? Dave, okay Dave, go ahead. If you stand up first it's got to be you.

**MR. SPEAKER, J. Walding:** The Honourable Member for Minnedosa.

**MR. D. BLAKE:** Well, Mr. Speaker, I'm delighted to have this opportunity to rise to participate in the Supply Motion debate on this year, this International Woman's Day; unfortunately I was unable to participate in the parade earlier this evening because I was busy preparing my notes. But after having listened to some of my colleagues being admonished earlier by someone on your side, Mr. Speaker, on not really sticking to the Supply Motion, I think maybe following the dissertation that we have just witnessed, it might possibly be better if we were to call it 10 o'clock and possibly I could finish my remarks when we reconvene tomorrow.

**MR. SPEAKER:** Is it the will of the House to call it 10 o'clock? (Agreed) That being the case, the House is accordingly adjourned and will stand adjourned until 2:00 p.m. tomorrow afternoon (Wednesday).