



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

DEBATES
and
PROCEEDINGS

33 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
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ANSTETT, Hon. Andy	Springfield	NDP
ASHTON, Steve	Thompson	NDP
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RANSOM, A. Brian	Turtle Mountain	PC
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LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, 26 April, 1984.

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 Minister of Culture has 32 minutes remaining.

HON. E. KOSTYRA: Thank you, Mr. Speaker. As I was indicating prior to the supper adjournment, Mr. Speaker, the Jobs Fund and the overall economic approach of this government has been successful. The mandate of the Jobs Fund was to respond to the immediate crisis that exists and existed at that time in unemployment in our province, and I'm proud to say that the Jobs Fund has been a success. I look at the kind of position that's being adopted by members opposite talking about the "fraud" fund and other such phrases, but it is clear, Mr. Speaker, we can talk about specific statistics and we can go through all the economic indicators and look at where Manitoba stacks up as against the rest of the country. But the simple fact of the matter is that there are more Manitobans working today than there were a year ago. The simple fact of the matter is, Mr. Speaker, that Manitoba has the lowest unemployment rate in Canada, so we must be doing something right.

Manitobans are saying that there has been tremendous support and involvement from the private sector, from community organizations in the Jobs Fund. There are literally hundreds of community organizations, municipalities and businesses that have co-operated on Jobs Fund projects, many in all areas of the province including areas that are represented by members opposite. And what are those Manitobans saying, Mr. Speaker? Let me give you a couple of examples. These were unsolicited, Mr. Speaker. There was some suggestion by one member opposite that someone was coerced into providing a response with respect to the Jobs Fund. I've asked that member to put that name on the record so we could deal with that allegation and he's failed to do so. But what are Manitobans saying about the Jobs Fund? Let me give you a couple of examples, Mr. Speaker. Here's one letter that was received with respect to Jobs Fund projects - it was not asked for and nobody was asked to sign a statement to give us this information - and let me quote from the letter.

It says, "We commend your government for the establishment to the Manitoba Jobs Fund. Financial assistance under this program has helped maintain jobs in certain communities during the recession and has created new jobs in other centres. Above all the jobs created in all cases have been meaningful and have contributed to the buildup of assets in the province. I am certain that without the Jobs Fund" - let me repeat that, Mr. Speaker, - "I am certain without the Jobs Fund

and other economic policies of your government the employment situation in the province would have been much worse. It is apparent that the economic policies of your government in general, and the Jobs Fund in particular, are providing incentives which have maintained the economic activity and job creation during this recession. We hope that such policies will continue as long as economic conditions demand." That's signed by Mayor Ahmad of the City of Flin Flon. Now, there is a mayor of a major city in the province that agrees with the economic thrust of this government.

Here's another one. I think some members opposite might know of this individual, and particularly the Member for Turtle Mountain. This letter says, "I am certainly not in the habit of providing the NDP with promotional material but after we received the enclosed letter I thought, what the hell, fair is fair. Best regards, Michael Leipsic." I believe the Member for Turtle Mountain knows him and in fact the Leader of the Opposition knows him very well. In fact, I think Mr. Leipsic and the Member for Turtle Mountain share something in common with respect to the Leader of the Opposition.

But the letter attached to that, I think, is something very very interesting, Mr. Speaker. It's from F.W. Sawatsky Ltd., General Contractors. It states, "On Monday, January 16th, we plan on putting a nine-man crew to work on the demolition phase of the work. Without this project, these men would have been laid off as we did not have sufficient work under way at this time to keep them employed. We ask you to convey to the Board of St. Paul's High School, the thanks and the appreciation of these men and their families."

These are people that were unemployed that were working because of the efforts of St. Paul's High School in doing some renovation work to their school, which was facilitated because of the Jobs Fund grant and they will tell you that, Mr. Speaker. That came, not from a member of the New Democratic Party, but an interested citizen, Mr. Michael Leipsic. I suggest - and I'll stand by that - that the person who is making the accusation that someone was forced into putting a letter of commendation into the Jobs Fund to put that name on the record and I will deal with those circumstances and find out who was putting pressure on that individual. Put it on the record, come on. Put on the record who put pressure on him.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please, order please. Order please. If other members wish to get into the debate they will have the same opportunity as every other member.

In the meantime, the Honourable Minister of Culture.

HON. E. KOSTYRA: Thank you, Mr. Speaker. I make that position again to put what the Member for Emerson is saying from his seat that that individual was forced into signing that letter to put that on the record and

to name that individual and also maybe name who put pressure on him to reverse his position.

You know, the accomplishments of the Jobs Fund, Mr. Speaker, in its first year, are a tribute to the co-operative spirit. We have indicated that the current situation with respect to employment, the relative low level of unemployment in the province is due in part to the Manitoba Jobs Fund, but it's also due in great measure and in great part to the co-operative spirit that exists in the province, to the efforts of Manitoba businesses. To them, there is a lot of credit due for the manner for which they have been part of the overall thrust in dealing with unemployment in this province. That spirit of co-operation, however, was sadly lacking amid the members opposite because they had no faith in the Manitoba spirit. Instead, they have attempted to put stumbling blocks in the path of economic recovery and we certainly saw that today, Mr. Speaker, with respect to another major economic development announcement.

If I remember correctly, they scoffed at the Jobs Fund when it was first announced and I'm wondering if they're prepared to tell the thousands of Manitobans, the various municipalities and businesses that were aided by the Jobs Fund in the last year, that those jobs were a figment of their imagination. For the first time in recent history in Manitoba, we have a lower rate of unemployment in the last month of March than our sister province of Saskatchewan. — (Interjection) — Weak gruel, the member says. I don't know how the members opposite would explain that, they've always looked at Saskatchewan as the shining light. But I guess maybe Manitoba and Saskatchewan Tories said, share that common vision for economic recovery that says if you are poor or unemployed it's only because of your own inadequacies.

I am proud to say that this government does not share that vision. Quite the contrary. As I indicated in my remarks before the supper adjournment, this government I think, through its actions over the last two years in the current Session and in this Budget that we're discussing and debating now, Mr. Speaker, I think we show very clearly that Manitoba, that this government, that the NDP Party does have a different way. It does show and it does indicate that there is a different way to deal with economic development to ensure that the rewards and the benefits of that are shared more widely. As I said, Mr. Speaker, we could go on and on and talk about statistics but it's pretty significant when this province has the lowest rate of unemployment in the country at the present time.

As my colleague, the Minister of Finance announced in his Budget Address, the Manitoba Jobs Fund will embark on a challenging, ambitious program of economic stimulation and development in this, its second year. In our ongoing consultation with business and with labour, 12 key areas in our economy have been identified as having the greatest potential for contributing to the overall growth and stability of the Manitoba economy. The Jobs Fund, in its second year, will be focusing its energies towards those target areas. Over the next weeks and months ahead your government will be revealing many far-reaching initiatives which are designed to maintain the impetus which began with the first year of the Fund.

Mr. Speaker, the Fund is still committed to creating and maintaining jobs for Manitoba and although the

unemployment rate has decreased it is still unacceptable to this government and I think to people in the Province of Manitoba. We must continue our commitment to provide as much protection as possible for those people hardest hit by the present circumstances.

I think the Fund in its first year did have that effect, Mr. Speaker. It did help prime the pump and get it moving again, but it's now time to make a shift in gears, to make a shift in direction to ensure that the pump is able to continue pumping on its own.

So we are looking at a shift in the Fund from some of the programs that were of a shorter term, a quick-start nature, to ones where we'll be looking at the longer term development of our province which will be more lasting and which will strengthen our economic foundations.

In order to accomplish that, the Fund will be looking at taking more the role of a catalyst or facilitator to ensure that meaningful development, which best utilizes Manitoba's human financial and natural resources, can take place. We've seen some indication of that thrust with the major announcements that have been made by my colleague, the Minister of Energy and Mines, the Jobs Fund will be taking a major role with respect to those developments to ensure that the fruits, that the benefits of those projects help all sectors of the Manitoba economy, the small-business sector and those communities that are scattered throughout rural and Northern Manitoba.

Our small-business sector, Mr. Speaker, is one of the most important and least understood sectors of our community. Some other provinces put all their faith in big business or in large-scale industries, yet statistics show in Manitoba that 60 percent of all new employment opportunities are created through small business. In Manitoba, of the 33,000-plus businesses that are registered, 90 percent employ fewer than 20 people. It is in those businesses, coupled with new ventures, which hold a very important key to the stability and growth of our economy.

Many of the programs that are to be administered by the Fund in this year are specifically targeted towards small business to help them be more competitive and to expand and to grow. One of the initiatives is the Venture Capital Program, which you may recall, Mr. Speaker, did start out last year as a one-year pilot project which offer public participation with businesses in establishing small independently owned and operated companies. That pilot program was a tremendous success with participation in 11 venture capital companies which led to the creation of 167 new jobs and the retention of 137 more. It's because of this success that this program will be extended and enlarged under the Manitoba Jobs Fund.

The adjustments that are indicated in the Budget from the levy for health and post-secondary education announced by my colleague, the Honourable Minister of Finance, will also provide an important stimulus for small business. There are some 20,000 small businesses that are affected by that adjustment alone, 18,000 of which would be totally removed, exempted from the levy. I think it's important that our fiscal position has permitted this exemption, not only for our business community but for all of Manitoba. So, we're looking at greater thrust with respect to small business.

You know, we hear the members go on and on with respect to the concerns of small business and we certainly share them on this side, but this morning I took the time for breakfast and for lunch to meet with the small-business people in my area and they are very pleased, Mr. Speaker, with the actions of this government and particularly with this current Budget. They indicate that they believe we are on the right track in this province and they indicated that they approve of the measures that this government is taking with respect to small business. I'm looking forward to further activities with respect to the small business sector, to ensure that they get a fair share of the current recovery and the current development that is going on in the province.

Mr. Speaker, the 6 percent manufacturing investment tax credit that was announced in the Budget will help encourage modernization, expansion and creation of Manitoba business. It'll be a further step towards strengthening our economic foundations.

One of the more far-reaching programs that we will be introducing very shortly in this new year is in the important field of technology. A good part of this program will be to work with business, to assisting them in adapting and utilizing existing technology to enhance productivity and competitiveness; because we are in a situation in this province where we have to be very selective, very careful in the manner that we approach a technological change; because we are not in the same position to compete with some of the areas of this country or the United States that are in the sometimes glamorous high-risk area of technology creation.

But we have to be very selective and look at ways that we can use technology here in the province, to adapt to circumstances that build on the strengths of Manitoba businesses so that they can adapt and transfer the ever developing technology for their uses. The two technology centres that have been in place for a number of years are assisting in that process and we plan to initiate new programs which will result in the creation of new businesses and expansion of others through a number of programs that will be announced in the very near future.

As well, we have to look at the human side of technological development and through the Jobs Fund we will be providing support to employers and employees to help them adjust to this change. I know the Member for Emerson may find the area of concern over the human side of technology boring, but to members on this side it's very important that we look at the human aspect to technological change, because without it we have to use technology for the benefit of people, to provide that benefits are distributed throughout business people and through employees, but members on the other side find that boring because I can only deduce from that, Mr. Speaker, that they don't care about the human condition with respect to technology, but members on this side, Mr. Speaker, do care.

I guess that's the difference between members on this side and members on that side because we want to ensure that economic development, that technological advancement, technological change is harnessed and is used in a way that will provide for the benefits to be distributed amongst all the

participants, both capital and labour. We certainly intend, through the Jobs Fund this year, to initiate a number of programs to assist both employers and employees through the very difficult time of adjusting to technological change because the workplace is changing. The time of, even my father, where he worked at one job all of his life, that isn't possible today because work methods are changing, technology is changing and we have to ensure that we have the support mechanisms then through government to insist both employees and employers adjust to the change, so we do take into account the human side of technology because we have to use technology for the betterment of human condition and the overall development and increase in wealth in this province.

Complementing the business application of technology will be an increased emphasis on information technology, particularly as it relates to education. We will be looking at some rather innovative efforts and we've been working quite extensively, through my colleague, the Minister of Education, and with a number of private sector companies in the courseware and software area to the point that we will be able to have in place very early in the very near future a combined business and government centre with respect to the development of software and educational courseware.

So I'm looking forward to continued co-operation with the private sector in looking at these interesting areas of development in the area of information technology that I think will be of benefit, not only to the school system, to the education system, but also to be used to develop further opportunities for Manitoba businesses. I know there's a great deal of interest from the businesses that we've been working on and co-operating with in this area.

So there are a number of programs that will be signalling the shift in gear in the Fund which will continue to build on the co-operation which marked the first year of the Fund's operation and we will work to continue that co-operation with business and with labour, and with other governments, Mr. Speaker, because it is only with that kind of co-operative effort as has been signalled through this very difficult time that we have come through that we will be able to continue on with the economic recovery and to ensure that Manitobans are the beneficiaries of that recovery.

You know, the members opposite laughed when we talked about co-operation with other levels of government and they laughed when the Minister of Finance, in the previous Budget, talked about a list of specific projects that we were taking to the Federal Government to get their co-operation on. I guess they still laugh now when they look at the check marks beside those projects, Mr. Speaker, because we are able to negotiate and to keep the pressure on the Federal Government to ensure that they would come through with a number of the projects. We'll continue to work with the Federal Government, be it the present government or if there may be a change in government at the federal level in the future, because it's our view, Mr. Speaker, that we have to do all in our power to negotiate the best deal for the Province of Manitoba, whoever the government may be in Ottawa.

In presenting the Budget, the Honourable Minister of Finance also tabled a supporting document concerning the Jobs Fund. This publication gave an

overall accounting of some of the activities of the first year of the Fund. It also speaks to the kind of programs that will be introduced this year, the second year of the Fund. So I think that that information will be of interest to all potential recipients of Jobs Fund programming. I certainly intend, Mr. Speaker, to continue to work with the various business organizations and trade organizations in the province to ensure that we are able to make those programs the kind of programs that are going to be of assistance to the businesses and to the people of this province.

I listened and commented earlier on some of the remarks of the Honourable Leader of the Opposition and he indicated and tried to ridicule various aspects of our economic thrust. He said that the Department of Industry, Trade and Technology is having a reduction in its funding this year. What he failed to mention, Mr. Speaker, is that the reduction is in the area of capital expenditures as they relate to the Federal-Provincial Agreement, but in overall expenditures there's a significant increase in the Budget in the Department of Industry Trade and in Technology, particularly in two key areas. One relating to trade development, to the work that we're doing with Manitoba business to increase our export opportunities and there's going to be a great deal more activity there. We'll continue to work with business to further exploit the markets in the mid-western United States and in other parts of the United States and, indeed, in other countries.

The other area that has increased attention with respect to resources this year is in the area of industry development and investment. We are working and have been working somewhat successfully with a number of major industries looking at further investment opportunities here in the province. Unlike members opposite, there are people that view that Manitoba is a good place to do business, that there is a good climate and good opportunities for development in this province. The member says, "tongue-in-cheek." Well, the proof will be in the pudding, Mr. Speaker. It will take a bit of time, it will take more effort by people in government, a great deal more effort from many members of the business community, but you will see that there will be great strides made this year and in the next few years with respect to economic development because, I believe, from my advantage point, that we are on the threshold of some major developments.

I said, Mr. Speaker, at the outset, that the Jobs Fund has had a successful first year and I'm glad that the debate, of late, in the House and elsewhere, is dealing on how successful the Fund has been, not whether or not the Fund was needed, but arguments over whether or not the Fund created this amount of jobs or this length of jobs, but the simple fact is that the Fund has had an impact, it has had a significant impact in the province and we believe it is now time to shift gears, to look at and to work at the longer-term economic development and continue in that vein. We are in a difficult situation in a province like Manitoba, but we do have some opportunities, we do have some areas of the Manitoba economy that can be successfully developed and we're committed to looking straightforward ahead, moving ahead. I know some members there - I just heard one member talk about shifting in reverse - they may want to go in reverse,

they may want to be the nay-sayers and the negative people because it's in their self-interest to try to slow down development in the province, particularly at a time when we're in government, Mr. Speaker, but we intend to do what we can to continue on the road of development we're on.

I believe that we are in a good situation right now. We have withstood the worst period of the recession and we now have to continue the work and continue the kind of developments that you have seen some announcement on over the next year because we believe that Manitoba does have a future, that in co-operation with business, with the people of the province, with labour, we can have economic growth and that there can be long-term dividends from these investments, but our approach will be different, Mr. Speaker. We are not simply going to put up signs saying that Manitoba is for sale, welcome, come on in. We are going to ensure that the long-term economic development that does take place takes place for the benefit of all Manitobans, both now and in the future.

Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, I wonder if the Honourable Minister would permit a question since his time hasn't expired yet?

I'd like to ask the Honourable Minister if there is a level of unemployment at which he considers the Jobs Fund would no longer be necessary?

HON. E. KOSTYRA: Mr. Speaker, I believe that we are going to continue to have unacceptably high levels of unemployment and at this point we are not in a situation to say at what level of unemployment we would not need a vehicle like the Manitoba Jobs Fund. I would hope that we will see significant downward movement in the unemployment rate over the next year. But to say at this point what level would be sufficient to say that we've got unemployment licked would be premature at this time, because even though we are in a relatively good position, it is still in my view and I think in our government's view, unacceptably high.

MR. SPEAKER: The Honourable Member for Emerson.

MR. A. DRIEDGER: Thank you, Mr. Speaker. I appreciate the opportunity to be involved in the Budget Debate at an early stage, as I had the opportunity in the Throne Speech as well. I have the same difficulty with this Budget Debate as I had with the Throne Speech which is that there is very little of substance and it's very hard to speak on the matter.

I want to make some comments following the Minister of Cultural Affairs. Possibly the two of us are the most opposite in this House. He is a member who represents the urban area and has much different views than myself as a rural member representing the agricultural community. I find it sort of unusual that I follow that kind of an individual.

There are a few comments I would like to make. The Minister, before the closing hour at 5:30, indicated that he was proud to support the Budget. The comment

that I would have to make is that it doesn't take very much to make the Minister of Cultural Affairs proud, if he feels that is a thing he feels proud to support. The same thing happened in the Throne Speech Debate, the Minister also read certain letters into the record about people who felt that the Jobs Fund was a very positive document and my suspicion is that it was probably printed by the Minister and signed by them in order for them to get the money. That might not be quite a fair statement but one's suspicions lean in that direction for the simple reason that the federal person who criticized the job creation of the province at the federal level, my understanding is - and I would like to get the proof of it - that he was laid off for two weeks because of his criticism that he directed toward the Provincial Government in terms of the job creation fund.

I also found most interesting the activity that took place here today in the House. During question period, the point was raised - and I realize the issue is under consideration by yourself, Mr. Speaker, some of the comments made there - but it's a matter of interpretation in my mind as well as to the comments that were related by the Minister of Municipal Affairs, the Government House Leader, when he read into the record certain statements that were made relating to a period of last year, that the matter of interpretation could be applied as well there because I don't think it was policy that was stated.

I will leave it at that, Mr. Speaker. Thank you very kindly. I heed your warning in that respect. I'm being very careful, Mr. Speaker. I just wanted to raise that. You know, the opportunity will come, of course, when we can have more comments on that matter and I intend to use that opportunity.

Mr. Speaker, now I'd like to get into the Budget Debate itself. The other night when the Minister of Finance made his statements in the House or read the Budget statement, I made notes. The one thing that struck me most of all after it was all over - and I have comments through the whole speech that I would like to relate to - one thing that bothered me most was the unstatesmanlike manner in which the Minister of Finance related the Budget speech. Normally I think, during the Throne Speech and during the Budget speech, there is a certain amount of decorum that is prevalent in the House. In the papers, as it was related, there was some criticism about heckling, etc., but most of this was initiated by the Minister of Finance himself, and the actions, in my opinion and people who I have talked to, is that it was an unusual type of presentation because the Minister instead of just relating his presentation of the Budget, got deviated with the slightest little things. The basic premise is that it was an unstatesmanlike presentation, one that has never been done before, where he responded to the least little heckling and attacked people in the opposition. I found this very unusual. My impression was, he's trying to defend something that actually he is not very secure with and the moment someone said anything, he had to respond and attack, very defensive with the thing.

Mr. Speaker, I would like to go through the notes as I made them, as the Minister read his speech. In the first portion of it, I was wondering what we were hearing, whether it was the Throne Speech repeated or not, because a big amount of it was self-praise of the things

the government has done to date. I found that sort of unusual. It's a very lengthy document and I find it interesting the way it was relayed. It was defensive all the way along the line, very little positive action, the last portions of it. I'll relate to that, but I was just making notes as the Minister was relating the Budget Speech and I just want to go through this as I made notes.

I am pleased that I have the opportunity to be one of the first ones to reply aside from my Leader, who did a very capable job and raised the ire of the government in terms of all the areas that he illustrated. Many of the speeches from now on will probably be touching on some of those things and expanding on them, whatever the case may be. But our Leader did a remarkable job. It was illustrated by the fact that the Minister of Finance had to jump up in between times and illustrate the fact.

Again, we are relating to a document — (Interjection) — yes, Mr. Speaker, I don't want to refer to that - but raised the point and was later on raised by the House Leader, the Minister of Municipal Affairs, it just indicated the sensitiveness of this government, because today they got blown out of their seats. They had announced hours before that there was going to be a big announcement in the House today regarding energy, and it was. Yes, I suppose it was. I think the reply of our House Leader at the time indicated, well, the fact that we'll be looking at it and if it is a positive thing, I think everybody in this House is going to be supportive of it. But we're not quite sure because after what has happened, when the Minister of Finance himself has created an area of doubt as to the validity of this government, that we hold them suspect in terms of even the announcement that they made today. This is the second announcement in a short time. First they announce the big hydro sale to the States, which is supposed to be effective in 1993 - you know, that's two elections hence from now.

Here, again, we have an announcement today, and I suspect to some degree that the announcement was made to try and overshadow the Leader of the Opposition's criticism of the Budget, the basically non-Budget - we look at it in that respect - and they were trying to overshadow that. Then the Minister of Finance bombs, does some stupid things.

Mr. Speaker, I'm so tempted to get into this thing, but I guess that is one of the reasons why maybe the House Leader brought this area up because we could have had a field day. I think every one of the speakers on this side could have just had a field day with that kind of statement. Mr. Speaker, am I getting on thin ground again? I don't want to do that. Anyway, as I indicated before - okay, I'll get down to the Budget matters.

The biggest portion of the Budget speech was a matter of self-praise, all the things that this government have done. It's ironic that we have to look at it in that respect. But that is the impression that we got, and the galleries were filled - I don't know what the impression of the people up there was. Mr. Speaker, the Rules of this House indicate that the gallery cannot indicate approval or disapproval by booing or clapping or whatever the case may be, and I suppose this is proper because, if that had been the case, this government might have had a surprise by how many people were disillusioned by this Budget.

But the Minister indicated that this Budget reflected the wishes of Manitobans, that he has contacted the people of Manitoba. Well, Mr. Speaker, if his approach has been the same way as they got the impressions of the people in the French language debate, then they say they made a mistake - again and again. I'll tell you something, that was the first impression they had, that they had to pat themselves on the back and try and relate a message, and try and cover up, to some degree, the inequities and shortcomings of this government.

They talked of unemployment; they talked of make-work. These kinds of projects are not lasting types of jobs; they're short-term jobs. As our Leader capably indicated when he spoke this afternoon, some of the jobs are only of one day's duration. They hang their hats on all the jobs they have created, but it doesn't do anything for the people who have only worked for one day. The frustration is out there, they expect that.

The Minister used examples about the user-fee aspect within Canada, the provinces that have put in a user-fee levy on the people. He used comparisons with the States in terms of health costs. It's interesting, Mr. Speaker, the fact that we have - we call it a payroll tax, but they call it a health and education tax, which is very much like a user-fee tax because everybody has to pay that. There's very little difference, it's a matter of a play on words.

I've tried to read most of this Budget and it's a flowery illustration, it's a lot of nice words. I've looked through this, the areas that apply to me personally, let's say, in the rural area, the agricultural aspect of it. There are many areas where a lot of words are said, but substance isn't there. That has been the problem in the Throne Speech; that's been the problem in the Budget Debate.

The government spent a lot of money, supposedly, in the last year on the Jobs Fund. They talked of \$210 million - I'm not going to be as accurate as the Minister of Cultural Affairs in terms of the figures - but if that is what they are hanging their hat on, that kind of job creation, then why, in this particular year and this Budget, are they looking to the private sector to improve that situation? To me it means the fact that they did not achieve what they set out to do and now they have to look to the private sector to improve their position.

Reference was made to building starts, so many building starts, but I can recall, just a few years ago and in the last while, where the vacancy rate in Winnipeg has been - what? - 1 percent, one-half percent, anywhere in that area. When you have that kind of vacancy rate there is pressure on the building industry to create more buildings because there is a lot of pressure and need for housing. They capitalized on it and most of their Budget, what they hang their hat on, this government, has been joint ventures with Federal Government. I dare say, Mr. Speaker, that that \$3,000 first-time homeowner grant that was available was an incentive. It was a good incentive, because two members of my personal family got involved in that type of program to buy a house. That was a federal program, but they are taking credit for all these things.

There are many of these programs. What we have heard in the Throne Speech and in the Budget Speech, many of the activities that talk of the joint agreements with the Federal and Provincial Governments, and I compliment any agreements of that nature, but they

hang their hat on them doing it themselves and a lot of it is federal money that is taking place. This is the government that is hanging their hat on their performance, on the Federal-Provincial Agreements. Not fair, because this government's performance has been very niggardly. Any activities that have taken place and are proposed to take place are joint ventures federally. Now, in that respect, I can honestly compliment them. If they worked out agreements, I think it is good. There's nothing wrong with sharing it because we pay federal and provincial income tax, all people do. If they can work out programs where they can get some of the benefits from it, fine; but for this government to hang their hat on all these things, in terms of trying to make themselves look good, that is part of their problem.

Now when they talk of unemployment, and the Minister of Culture Affairs - I think he is also the Minister responsible for the Jobs Fund - read all kinds of statistics as to what has happened. Mr. Speaker, I dare tell you that in the rural area it hasn't done a darned thing. In the rural areas, in small communities and in my constituency of Emerson, basically the biggest community maybe has a population of 1,200 to 1,500 people - I have many of those, we're looking at maybe 30-40 small communities - the unemployment situation is dramatic. Very few job opportunities were created because of this Jobs Fund. But, you know, their circle of vision is so small, it's all related to the big City of Winnipeg, the rural people get very little consideration - I'll illustrate that a little later as to the feeling of this government.

They have now illustrated in this coming Budget that they're going to promote small business. Mr. Speaker, they're going to promote private industry. What bothers me very much is that this government from the time that it got elected removed the hydro freeze and hydro has been increasing 9.8 percent, 7.8 percent in the last two years. Telephone has increased. They imposed a payroll tax, they increased the sales tax from 5 to 6 percent, the corporate tax. There are endless things that they've done to hinder the private sector in terms of the business industry.

Now they say that they're going to rely on the small business and the private sector to create jobs; it's a fallacy. Mr. Speaker, it is words. When we read this whole Budget speech, it is words, very little fact in the matter and that's what bothers me.

Mr. Speaker, when the Minister of Finance sends out the kind of correspondence that he has and has to put out advertising and stuff of that nature, illustrates to me a weakness. They have not got the strength. They don't feel positive about what they have presented. If it was a good Budget, Mr. Speaker, then we would not have to have this kind of advertising that is taking place in the various papers; we would not have to have the Minister of Finance send out letters that he has to 27,000 small business communities or business people. Everybody's got them. I've got two of them. If this Minister was confident in what he was doing, the public perception and the media perception would be adequate in terms of relating the message.

Why would you need this kind of garbage to promote the Budget? Because they're not secure in what they're doing. This government, as my Leader indicated, that is bankrupt of morals, ideas. They don't know where

they're going. They're floundering around. They're trying to retain the image that has gone down the tubes a long time ago. They illustrated very capably that they're not capable to govern in the last Session and that is why we have to have this kind of thing at the cost to the ratepayers of Manitoba. This is most unusual that we have this kind of correspondence going out to 27,000 business people and farmers in Manitoba under the Minister of Finance's heading, indicating and using it for political manners and that's what they're doing. It's a tragedy.

The Minister of Finance was embarrassed. In fact, the government was embarrassed today during question period and that's why they've been scrambling around trying - I got that look again from the Speaker - I'm getting a little sidetracked here. Mr. Speaker, I have to compliment the Government House Leader raising that issue that handicapped us in our debate which would have been a very capable debate. I hope, Mr. Speaker, there can be a ruling coming forward shortly so that some of my colleagues can get into the meat of the matter of some of these issues. — (Interjection) — I continue, Mr. Speaker.

It's interesting how this Minister in presenting his Budget speech was trying to compare with other provinces. He particularly took great pride in relating to other provinces to the west, to the east and whatever statistics suited him he used those for comparison and I find that very interesting. Mind you he can't relate to any other NDP Government within Canada so it's easy to say anybody across Canada if the statistics are different, they're acceptable to be criticized.

As I indicated before, Mr. Speaker, this government in their Budget and in their programs for this year, have hung their hat on joint programs between Federal-Provincial Governments and some of the programs, I hope, are going to be positive programs. The Minister of Natural Resources is involved with forestry programs. There is, I think, an agricultural agreement that has been signed or agreed on between — (Interjection) — I'm surprised that the Member for Ste. Rose even realized there has been activity in that direction, but obviously he is concerned as well. So we all should be. But there's so many of these federal-provincial programs I think are positive. There's a lot of money that should flow. I dare say that by the time these programs are in place that this government is going to hang their hat on every one of them, just like they did with the Jobs Fund where most of the jobs that were created by the private sector and they hung their hat and said, we've created all these jobs. It's ironical. It's ironic, Mr. Speaker, what it illustrates is a government that is in trouble.

It indicates a Minister that is insecure about his Budget. It is illustrated, Mr. Speaker, by the desperate methods that he's had to use in terms of trying to sell his Budget to the public of Manitoba, in the papers for this kind of advertising in the Free Press, in the Sun. I don't know whether he's going to have that kind of advertising in the rural papers or whether he's only concerned about the urban aspect of it.

I personally believe that this kind of advertising and the letters that he has forwarded are a blatant misuse of government money. We hold this government suspect in the way they deal. It is the actions of a very desperate and insecure government.

Mr. Speaker, I will recall the day that the Minister brought in the Budget where he imposed his payroll tax and the gloating on the government said at that time, they were nearly hysterical about the fact that they found a different way to raise bucks. The smiles you could see and, Mr. Speaker, they were genuinely gloating. They were impressed with what they'd done. They'd brought in a 1.5 percent payroll tax. They called it the Health and Education Tax. Now, after the flack they've gotten on that, along with many other things, they are starting to see the lights, Mr. Speaker.

A MEMBER: Take a look at the polls.

MR. A. DRIEDGER: Yes. Mr. Speaker, I've a lot of encouragement from my member here from Assiniboia because he's feeding me all kinds of good stuff and I appreciate that. Don't reprimand him, Mr. Speaker.

But the fact that this government . . .

MR. SPEAKER: Order please.

MR. A. DRIEDGER: . . . this government at that time felt they'd pulled a coup de grâce, they pulled a great one. Now they realize that it is not working well and the other day when the Minister brought down his Budget speech, he started making concessions. He says, a payroll under \$50,000 we will exempt them; and from \$50,000 to \$75,000, Mr. Speaker, we will make some concessions. Anybody with a payroll of over \$75,000, they have to pay the shot. Interesting enough when we do the calculations, that means a saving and no matter what they say - and I want to compliment them - I think it is a positive move. I say it is a positive move because many of my people in the rural area, farmers, small business people, are going to gain by this because they'll have this yoke removed; this nuisance removed, because the figures illustrate that it is going to benefit the government. They will lose \$6 million on the payroll tax out of \$112 million.

Many people are going to finally be spared this stupid legislation, this stupid tax and it's going to resolve the nuisances for many small businesses and farmers. I think in that respect that is the one compliment I want to pay this government. You're on the right track and I dare say, to this government, that next year they will either up that levy to about \$250,000 to \$300,000, they will want to get away from this payroll tax before the next election because that's a yoke around their neck.

But the thing is, Mr. Speaker, they have so many millstones hanging around their neck that this in itself will not resolve it. But I dare say if this Minister of Finance is still there next year, Mr. Speaker, that he will up that or remove the payroll tax; I predict that. They're very prone to run back and look through Hansard and say what somebody said a year ago. I put that on the record and I want them to go back next year when they bring in their Budget and I predict that they will remove a bigger portion of the payroll tax or remove it altogether because this government, Mr. Speaker, cannot go into the next election with that payroll tax hanging around their neck. That isn't going to resolve it, nothing is going to resolve the predicament that they're in.

They have created their demise; the die is cast; they are on the way out. And they are trying desperately

with statements like they made in the last while - two I think positive statements - and we should be all cheering, you know, the sale of hydro to the States, and we say, yes, we wish it was positive, but we have an obligation in opposition to check into these things to find out whether it is a positive thing. Because we know this is a desperate government, they will do anything to try and retain their image.

Today we had an announcement and it got blown out of perspective because of the stupidity, the stupidity of the Minister of Finance in some of the correspondence that he was sending out. We talk about Alcoa and I said this, Mr. Speaker, in my Throne Speech - I said this in my Throne Speech - that this government is going to be in the same position as we were in 1981, when we were talking - and we made some errors - we talked of Alcan; we talked of the Western Grid; we didn't have a total handle on it; we made mistakes and we said, don't stop us now. — (Interjection) — Yes, we did. I have no difficulty stating that.

But I tell you something, look forward government to the day when, two years from now when you call an election, you're going to say, we almost got Alcoa signed, it's so close; we almost have Limestone going, it's so close.

A MEMBER: Almost. Close only counts in horseshoes.

MR. A. DRIEDGER: And you will use the expression, "don't stop us now."

Well, Mr. Speaker, if it is not the case, I am prepared to apologize because if it is going to happen it's going to be positive for Manitoba, I want to be the first one to congratulate you. But, Mr. Speaker, we are talking of a government that is desperately trying to retain their image, to build up their image.

Mr. Speaker, they read the polls as well as we do and when we challenge them to call an election, we know what we're talking about. If a poll was taken after this Budget now it would even be lower, Mr. Speaker, unfortunately. The die is cast and they know it. Mr. Speaker, it can't change unless all of a sudden they had a gold mine somewhere, which is not going to happen. — (Interjection) — Well, they thought they sat on a gold mine with the Minister of Finance and he sort of - what do they call it? What is this fool's gold? Fool's gold is what we had and that's what we're going to have in the future.

Mr. Speaker, the thing that bothers me very much, though, the sad part of the whole Budget is the fact that, in spite of all the words, and when we read this document it's a very elaborate document, and it's surprising what professional people can do with words. It makes everything look rosy, but the cold hard facts of life are, if you get out there in the rural areas you find out that it isn't all roses; and when we look at the spending estimates that have been forwarded, Mr. Speaker, in terms of things that affect the rural areas, agriculture, the major industry of the province, there's been a cutback.

When we look at highways, highway construction, another cutback.

A MEMBER: Into the Jobs Fund.

MR. A. DRIEDGER: Mr. Speaker, when we look at Natural Resources and the drainage aspect of it,

projects that I have been personally involved in, working with the Minister, that should have been a priority this year, and letters have been sent out stating because of the cutback of government that they cannot be undertaken, that is the sad part. That is the thing that bothers people in the rural areas, because while you're stickhandling and saying fancy words you are cutting back in the rural area, and it bothers me, it bothers me dramatically, because when we look at the things that are happening, the agricultural community, the No. 1 industry that we have, is being hung out to dry. There are more bankruptcies, these people are in trouble.

Mr. Speaker, right now the agricultural community is depended on, not what this government does, it depends on whether it rains or not so that they can have proper crops. That is a tragedy because for years now the agriculture community has been suffering, farmers are going bankrupt, they're begging and borrowing money to put in this year's crop. The Federal Government comes out here and makes a big announcement the other day, "We passed a resolution to the effect that the money should be released." The money that is being released, that \$300 million, is the money that the farmers have put in. That will be paid out when? In the fall.

The tragedy of it is because right now, Mr. Speaker, if we want to be sincere let's go out and check, there are farmers that don't suffer that much. Well, I'll tell you something, many farmers that have invested in the last 10 years are suffering dramatically, they don't know where they're going to get the money to put in this year's crop, and it is a tragedy, that's our No. 1 industry. What do we have from this Minister of Finance? Passing words; passing words, appeasement.

Mr. Speaker, this government is not prepared, in the event, like right now, yes, we look outside and it is raining and we have bad weather outside - I call it good weather because we're getting precipitation - but if there is not going to be a constant factor of precipitation, if we don't have that, I'll tell you something, there's going to be so many farmers in trouble in the next year, there are many things that affect the farm community.

I represent the farm community as you people represent the urban community. You talk of day care; you talk of jobs. I talk of the people that are affected out there that are raising the food of this country, that are the backbone of this country; that is what it's all about. If the agriculture community thrives, everybody thrives, manufacturing thrives, the urban city, everybody thrives if agriculture does well, but they've never looked at it that way, they don't care about it that way.

I've talked with many municipalities, Mr. Speaker, in my constituency in the last while. They've talked over the past for years, they want roads. The Minister in his Budget speech indicated — (Interjection) — Oh, boy. Mr. Speaker, the Minister indicated so much money was spent per family in the rural area on roads. Well, if this Minister would listen to his departmental people, all the professional people within his department and find out the deterioration that has taken place of the highways in Manitoba in the last while, and they're cutting back and cutting back on expenditures when the costs are going up, as a result we're getting less improvements.

Mr. Speaker, this province was built by governments with guts. When they built the infrastructure that was

required for the agricultural community, the roads, the drains, the reservoirs, many aspects of the financing available for the agricultural community, and you know that's all shovelled aside. Mr. Speaker, we are suffering in the major portion of the guts in this province, which is agriculture. We don't have the oil industry that Alberta has. We don't have the potash industry that Saskatchewan has. If anybody wants to check the income from natural resources in other provinces versus Manitoba, agriculture is the guts of it and this government has totally ignored it. They talk of the money that they have spent in agriculture. It has been done wrongly.

Mr. Speaker, it hurts me when FCC, the Federal Farm Credit Corporation, raised their interest the other day to 15 percent from 13 percent. You know, it's a death blow for many farmers. Anybody who wants to get into the agricultural industry at this stage of the game hasn't got a chance. You know what, Mr. Speaker, it is not that far in the future where whichever government it's going to be, federal or provincial, will have to deal with the fact because the average age of our farmers in the Province of Manitoba is 55 to 56 years old. There is no credit available to young farmers to take over this situation.

The fact when they talk about promoting the family farm and the smaller farm, they are being hypocritical in their approach to it because there is no way that a young farmer - sons of fathers, unless the father extends all kinds of opportunities - but anybody that has not been raised on a farm and has a father who is prepared to put all kinds of money into it can never get into the farming industry. Mr. Speaker, I know because I am in the real estate business and there are many young people who would like to get into the agricultural industry and there is no way under this earth that they can do that.

We are strangling the opportunity for young people to get into the agricultural industry. And do you know what we had in this Budget Debate? Very little reference to that - virtually none - because the major industry that we have in this province is not being supported by this government. It's a tragedy and it hurts me because I deal with many young people all the time — (Interjection) — I am dealing with the truth - many young people would like to get into this industry and there is no way, they cannot afford it.

When we consider that we promote the cheap food policy that we have in this country, the consumers are dictating that, where 18 to 20 cents of the earned dollar is spent on food - 16.5, my colleague from Morris says - well, I'll tell you something, in Europe they're paying 30 to 40 cents of the earned dollar on food. Why are Europeans selling out? They are selling for tremendous dollars out there and if they can get the money out there, they like to come here. But our young people in Manitoba don't have the opportunity to get involved in the agricultural industry and that's a tragedy.

Mr. Speaker, it really bothers me for the simple reason that I deal with these people in my area all the time. I have no major industries. My biggest industry in Emerson constituency is the Winnipeg Bible College and they are almost being suffocated at the present time because of policies that are taking place. I look to the Minister of Education and hope that herself, the Minister of Finance and the Minister of Municipal Affairs

will try and deal with these people because that is the biggest industry I have in the Emerson constituency.

MR. SPEAKER: Order please. The honourable member's time has expired.

MR. A. DRIEDGER: I'd like to make a closing statement, but . . .

MR. SPEAKER: Does the honourable member have leave of the House to continue? (Agreed)

MR. A. DRIEDGER: Thank you, Mr. Speaker. I want to thank the members opposite. I was going in full flight and I don't know whether they necessarily will appreciate the fact that I want to encourage this government, let us not play politics. It is . . .

MR. SPEAKER: Order please.

MR. A. DRIEDGER: Mr. Speaker, in my closing statement, sincerely, we can play our games here but the people of Manitoba are concerned about government opposition as well as government, giving direction to making a better Manitoba. I'll tell you something, we have a tendency to sometimes forget that. I'll tell you something else, I want to reprimand the Minister of Finance to some degree that he has played that game to the nth degree and I would ask him to reconsider his position because you are overlooking matters of a very major importance in the rural areas.

Mr. Speaker, I think we are all of a common mind in here, that we are concerned about the betterment of Manitoba and I hope, without being facetious, I hope that we can agree on this kind of aspect and I appreciate the opportunity to close my speech.

Thank you very much.

MR. SPEAKER: The Honourable Member for Thompson.

MR. S. ASHTON: Thank you, Mr. Speaker. When I spoke on the debate on the Throne Speech I spoke on the day of the announcement of the major power sale to the United States. I noted at the time how significant a day it was to address the Throne Speech in view of that very important development and I consider it equally as good a day today given the announcement of the joint agreement between Alcoa and the Province of Manitoba that could lead to the establishment of a multimillion dollar aluminum smelter in Manitoba, to be speaking on the Budget Speech.

Mr. Speaker, there is a connection beyond the fact that these two events are evidence that the government is delivering on its commitment earlier this year to work on long-term development, on long-term jobs - there is a consistent theme, Mr. Speaker - and that is because that commitment is being shown with every stage of the government's program in this particular Session of the Legislature, starting with the Throne Speech in which that was our No. 1 goal, that being long-term jobs. It was also indicated, I think in the Budget, which was brought down by the Minister of Finance in which he indicated again the important emphasis this government places on the economy.

Before beginning my remarks, I'd like to commend the Minister of Finance on his Budget. It's a difficult job, Mr. Speaker, at the best of times to be Minister of Finance. I believe that the Minister brought down some very excellent Budgets previously in some particularly difficult times. Now the times have begun to improve, he was able to bring some taxation relief to poorer Manitobans and to small businesses. I think that's very much appreciated and I think the Minister of Finance deserves particular credit for the concern he showed personally, in making sure that there was some relief for these particular sectors of our economy.

Now today, Mr. Speaker, I want to look at what some of these recent developments mean to the province and specifically in my own area of the province, in the North, and also to look at some of the differences in the approach of this government between the approach of the opposition - and not only the opposition according to their statements today - but the opposition when they were in government. In doing so, I want to perhaps look down the line somewhat in the next few years and look at some of the possible future directions that we hope to take the province in, in comparison to what we hear from members opposite.

Now let's look at the question of development in general and development in the North in particular. Let's compare the record of this government and this party with that of the opposition Conservatives. Well, Mr. Speaker, I would like to begin to a certain extent with the Roblin Government but I don't think I will because while they were Conservatives, they were a somewhat different brand of Conservatives than the ones we see today.

The Roblin Conservatives, I think, lived up to the rather different sort of label, the Progressive Conservative label, better than most governments have in the past. It's something of a contradiction in terms to a certain extent, but I think the Roblin Government did act in a rather progressive way in investing in this province, in our hydro potential for example, the floodways, the various assets that the Minister of Finance outlined. I would like to begin at that government, but to a certain extent I don't think it would really be a fair comparison because that Conservative Party then is a far cry from the Conservative Party we see today.

So I want to really start with the Schreyer Government, because the Schreyer Government not only brought a renewed vigour to development in Manitoba, I think it really started the whole process of Northern development. Prior to the Schreyer Government, the North was pretty well neglected by the government as a whole. We were the place where you open a mine once in awhile, you open a hydro dam once in awhile, but that was the extent of it. You didn't get much in the way of services, whether it be in the form of roads or other services of that nature. You didn't get much in the way of educational services or social services either. If members across the way doubt that, they should check back into the record with some of the statements made by one Gordon Beard, a great member of this Legislature who quit the Conservative Party in the '60s because of that.

Now the Schreyer Government changed that. It was brought, to some extent, because of the personal interest of the Premier, Premier Schreyer, in the

development of the North. It was brought also, to a large extent, by the fact that the North was represented by some very vigorous members of the Legislature over that period, Ron McBryde, for example; Tom Barrow; Les Osmond; later in Thompson, Ken Dillon and, of course, Joe Borowski when he also represented my own riding in Thompson. These members, Mr. Speaker, brought a new perspective to this Legislature about what the North was all about.

The result was Northern development. It took various different forms. On the one level, it was led by major economic development which was spurred by major hydro development and we in the North still remember the days of the Schreyer years when things were really happening in the North in terms of hydro and resource development in general.

It was also accompanied by a real interest in the social as well as the economic development of the North. The Schreyer Government brought in many innovative new programs aimed at the social development of the North. They aimed at bringing people who had been neglected for years, who had been left out of the mainstream of Manitoba society, into the forefront of that Northern development. There was considerable success.

For the eight years of the Schreyer Government, the North was a place where things were really happening. Our population was growing. There were new developments virtually every year. Every month there was some sort of new announcement. I know in my own community of Thompson, there was almost unbridled optimism at that particular time.

Then came the Lyon Government, the Lyon Conservative Government. We all know what happened then. The North went absolutely nowhere; if it went anywhere, it went down. I know in my own constituency, my own community, our population plummeted. It was partly not to do with the government. Certainly it was due to the world economic situation. There was no doubt about that but it was made worse by the attitude of members opposite. Rather than assist Northern communities at a time when they really needed it, they cut them back. My own community of Thompson, at a time when INCO was bringing in major cutbacks, that government brought in major cutbacks that affected countless Northern programs which affected not only my constituency, but the North as a whole.

Let's talk about the other aspect. Let's talk about the other aspect of Northern development, hydro development. What happened under the Lyon Government with hydro development in the North? Nothing, absolutely nothing. They mothballed the place in 1978. They then proceeded to criticize the Schreyer Government for overbuilding hydro capacity, showing their true colours on this very important issue to Northerners. What did they do? They did absolutely nothing.

Then came the election of 1981 when the people of the North and the people of the province as a whole sent the members opposite a very clear message. They said that we don't believe that you can bring the development that we need and we're going to elect an NDP Government in this province.

Let's look at it today, some two years and five months after the election of the NDP Government. Let's compare the situation in the North now with the situation

only two and a half years ago when those people were in office. In the fall of 1981, the population of Thompson had dropped below the 13,500 person mark in Thompson. There were literally hundreds and thousands of vacant apartments and vacant houses.

Since that time, we have been faced with some difficult circumstances in Thompson. We've been faced with some difficult circumstances. We had a strike in the fall of 1981. We had a major shut-down just over a year ago and we've had a general slowdown in the economic condition of the mining industry in general. But what has happened to the population of Thompson in that time? What has happened is that that population has increased. Apartment vacancies have dropped. In fact, there are more than 350 additional apartments now occupied as compared to 1981. Similarly, more people have moved into houses in Thompson. Our population has gone up, I would estimate, by as much as 750 or 1,000.

Why would that be? Why would our population increase at a time when the conditions were very tough for the mining industry in Manitoba? Why? Well, a number of reasons but first and foremost it is because this government has cared. When it came to the shut-down, we were there with an employment program that created 370 jobs to help the community to keep going. There's another reason too. We've been developing social programs that were destroyed by the Tories when they were in office. As a result, many people in the North are now locating in Thompson to take advantage of these educational opportunities and other opportunities which are now available to them.

You know, the amazing thing about this when one looks at it, is the fact that this has taken place despite the fact that this has been a very difficult time for our economy and despite the fact that this came before any of the major developments which have now been announced in this House and which will soon be under way in Northern Manitoba. I think that's very interesting to note, because what it shows is that his is just a start. Our population has gone up in Thompson. Our security has increased. That's before the announcement of the major power sale to the United States. Before the Alcoa announcement today. It's before the resumption of Limestone, which I think will be resumed very soon and will be a very great benefit to my constituency.

What we're really talking about is, despite the fact there have been difficult times, things have been much different for Northern Manitobans under this government. But lest anybody suggest that I am saying that what we have done in the first two years is enough, that it is exactly what people are looking for, they can just look at the statements I've made in my constituency and the statements I have been making now for some time.

I've said we've been successful in short-term jobs. Largely due to the Jobs Fund, we now have the lowest unemployment rate in Canada. But it simply is not good enough. Our unemployment rate is still too high. It's still too high in the North, for example. It's still too high in rural Manitoba. It's still too high in the city. I've said in my constituency and I've been saying for quite some time, what we need to do is to move from short- to long-term jobs. That is what my constituents have been saying.

When I was out between the two Sessions, talking to people, the major concern was long-term development and long-term jobs. Right now I say, in this House today, that we are on the verge of that long-term development, we are on the verge of creating those long-term jobs. We are in the position of getting back to the days of the Schreyer NDP Government when things were really happening in Manitoba and really happening in the northern part of our province and that is really, I think, important when we look at that today. So that is a trend that is developing, things are beginning to turn around. In fact, I said when I spoke before that I felt that announcement of the power sale was a turning point economically in this province.

Let's look at the response of the opposition to some of these various development announcements and various other announcements recently. Let's look at their response, I think it's interesting. First of all, let's look at their response to the Budget, which is what we're debating specifically today. It was interesting to note their reaction to a number of the various items we brought down. I remember distinctly when the Minister of Finance announced the break for poorer Manitobans, which will affect 60,000 Manitobans, will result in a tax saving to them. Did they applaud that? No, not one of them. When it came to the removal of the 1.5 percent levy for health and education they all applauded. When it was removed for smaller businesses in Manitoba, they all applauded, as did we. Then they started making all sorts of heckling remarks. I noticed the Member for Emerson talked about lack of statesmanlike conduct. He should have heard his former Leader, sitting just two seats down from him, in response to these announcements. You know, they didn't know what to do. On the one hand they were saying, "Ah, we forced you into this, we forced you into it." Then they're saying, "Ah, well, that's not quite good enough." They were applauding it the one time and the next minute they were trying to stop applauding, but I think that's symbolic of the response of those members opposite.

Now, let's look a little bit further, let's go back a bit to another announcement and look at the response to that, one that strikes closely home to me - the Churchill development announcement. We announced, in conjunction with the Federal Government, a major development at the Port of Churchill. That's something that the people of Manitoba have been talking about for years. In the north it goes back to the days of Gordon Beard. He raised that issue in the 1960s and I think it was the frustration on issues like that that led him to quit the Conservative Party. We announced a major upgrading of the port. What was the response of the Conservatives? Well, basically two responses. There was the Member for Pembina, he said, don't take credit for that development of the Port of Churchill, we held a meeting when we were in office. They held a meeting, Mr. Speaker. Can you believe that; they held a meeting? They seriously placed that in comparison to our commitment. — (Interjection) — And they sent Henry, yes. Henry Einarson, yes. That was their meeting, that was their contribution to the Port of Churchill; they had a meeting and they're comparing that to a \$270 million agreement. I know that it's standard politics; I know that is standard sort of thing in politics, when a government does something you try and take credit

for yourself. I think they were stretching it just a little bit much on that one.

But, let's ignore that for a minute because I don't think that's the most interesting response to the Port of Churchill announcement. It was made by the Member for Arthur in debate in this House and it echoed comments that had been made earlier by the former Leader of the Opposition, and I'm sure an attitude that is shared by many. He said, "Oh, I'm in favour of the announcement, but I don't think the provincial government should be putting any money into it." That's an interesting response, isn't it? We're all in favour of it, but we're not going to put our money where our mouth is. That's basically the bottom line of what they said and, you know, that's typical of that brand of Conservatism. Perhaps in the Roblin years, the Conservatives in those days might have been farsighted enough to put some money into developing the Port of Churchill, but this bunch. No, they just say, "We'll leave it up to the Federal Government." After that they didn't have the nerve to start throwing all sorts of accusations out as to its motivation. You know, the motivation between our government and the Federal Government, they try and relate it to Mr. Axworthy's federal ambitions, or something of that nature. Do they seriously believe that is the only motivation behind the Federal Government? Do they seriously believe that we really care about that? Don't they know that this is a major development announcement for Manitoba; don't they know it's the key to the north's future? Well, apparently not, as indicated by their comments.

Let's look at another example. Let's go back a couple of weeks to the power sale, their response to that, to see where the Conservatives are coming from on these issues. You know, when we announced the power sale, you should have seen the looks on their faces.

HON. A. ADAM: Ashen.

MR. S. ASHTON: Ashen, ashen, says the Member for Ste. Rose. Three people applauded, 20 members were in a state of shock. They didn't know what to do. Were they supposed to applaud, in which case that might appear that they were giving the government credit for the announcement? Or were they supposed to sit there and try to find some angle to exploit it for their own advantage? They just sat there; they didn't know what to say.

But there was a Conservative who knew what to say, former Energy Minister, Don Craik, now in political, shall we say, semi-retirement or whatever, was quoted in the Free Press as criticizing the agreement and, perhaps most interestingly he stated that he didn't see this as a reason to start up Limestone.

That's interesting, isn't it? As I indicated a few minutes ago, the Conservative policy on hydro, if you look at it, has been one of quite a different approach than the NDP. You know, they criticized us for overbuilding and they're taking the same tack again, perhaps not members in this House because they know the politics of it. They know it's not going to go down to well in Northern Manitoba if they come up publicly and state that they are against the resumption of the construction of Limestone, but I think Don Craik let the cat out of the bag on that one. It's the same old Tory policy. We

believe in hydro development as a prime mover of economic development in this province and they don't, that is clear. But, once again, an interesting response on their part.

Let's look at the announcement today. We made the announcement of a major agreement with Alcoa which could lead to the establishment of a multi-million dollar aluminum smelter in this province. What was their response? There was a pretty pathetic response from the energy critic opposite, a pretty pathetic response to that, but I think their real response was indicated by question period. You know, they didn't ask one question about Alcoa, not one question. They didn't ask any details about the agreement. — (Interjection) — They talked about a letter from the Minister of Finance and, as the Premier points out, a letter that wasn't even properly researched. You know, they talked about a letter.

We're talking about a multimillion dollar agreement here; we're talking about a fundamentally different approach from that taken by the Conservatives when they were in power. But they didn't want to ask questions about it. You know, we're talking about an agreement which would involve a joint venture between the Provincial Government and Alcoa. It would not involve any resource giveaways, no giveaway of hydro generating capacity to Alcoa, which is fundamentally different from the approach they took on Alcan, yet they didn't have one question to ask on it, not one question. That's rather interesting I think if one looks at it.

It's interesting, I think, because they really don't have a response to these particular developments. It doesn't fit in with the scenario they see politically in Manitoba at the present time, and the scenario they see is that they, once again, have the divine right to govern. That's the way they see it. They talk about a poll here or a poll there; they talk about, call an election, call an election, and the same message comes through time and time again, the divine right to govern.

You know, what is perhaps the most interesting, for two years they have been almost reasonable in their activities in this House. The arrogance that we saw from them in government, the arrogance that was typified by the former Leader of the Opposition was somewhat less overstated, I think it was understated. It still came up when the Leader of the Opposition tried to order people around at various times. He even tried to order the new Leader of the Opposition around, told him to sit down right in this House. The arrogance was still there but it was toned down. But that arrogance has come back and it's come back with a vengeance. All one has to do is read the speeches, read the kind of speech made by the Member for Emerson, read the kind of speeches that have been made by others, it's there. Most specifically read the speech made by the Leader of the Opposition, today, that arrogance. A number of them have already said, we've won the next election. That's what they're saying; well we shall see about that.

Let's look at that. What are people looking for in a government? What did they look for five years ago, or 10 years, or 15 years ago? Well, let's look. They looked basically, if you look at Manitoba history, at economic issues. That was the strength of the Schreyer Government - its economic record. For eight years the

Schreyer Government delivered and along came Sterling Lyon. He promised to change things for the better and people decided to change, to try a change. They found out after four years of Conservative Government that that change was not for the better, far from it. It was for the worse. So they elected the NDP Government.

Let's look today at where that situation is. I think if you talk to most people, despite the Tory tactics on the Jobs Fund, most people will say that the NDP has delivered on short-term job creation. Most people will recognize the Jobs Fund and the contribution it has made to the Manitoba economy. I think more and more people will realize that relatively, we've done rather well as indicated by the fact that we have the lowest unemployment rate in Canada. We've had also a very high increase in population. You talk to people. But it's like when I talk to people in Thompson. The first thing they say is, yes, but. What is the but? Is it we want the good old days of the Sterling Lyon Government? Not quite. Not quite.

I've run into people who've been upset with a number of things we've done, very upset with a number of things we've done, but they make it clear that they don't want to go back to the way it was under the Lyon Government. They remember the Conservatives, the way they were. You know why they say yeah, but. What is the but? We want long-term jobs and long-term development. I think that is the key. As the Member for Ste. Rose says, we are beginning to deliver on that. We've reached the economic turning point.

I've explained to people. They're willing to look at it. They say, certainly we were through a tough time. The international recession hampered our ability to deliver on exactly the kind of development the people wanted to see. They realize that. But now we have the opportunity to do that and we are delivering on that.

The Member for Emerson said, you're going to be in the same situation as we were in 1981. But he's wrong. Their "maybe" mega projects were just that - maybes. They were figments of their political imagination. When the next election comes, we will have the concrete evidence of our long-term economic development strategy for Manitoba.

That is exactly what people will be looking for. Before they start running around with any poll results taken in April or January or last year, they should remember that the poll that counts is the poll that is taken on election day. What people will be looking for, certainly in my constituency, certainly in the North and I would say across this province, is who can deliver on long-term development and long-term jobs.

Now, if those members opposite were saying that we can't, if they were laying out a strategy for what they would do, I would consider that a real challenge on our part. I would like to debate on that. I would really like to see that, I really would. But they're not. Every time we brought up these announcements, they haven't known how to respond. They haven't really known how to respond. There are some good reasons because when they do respond, they have to be careful. They have a record. The people remember. When people will think about Alcoa, they will also think about Alcan. When they will think about our joint venture, they will think about their resource giveaway and they know it. When people think about the sale of power to the United

States, they will think about all their ballyhooed promises about the Power Grid. When they look at it, they will see that there isn't demand in the other provinces. When they look at our agreement, they will see that it's going to lead to the construction of Limestone. When they look at their record, they will see there was nothing done about Limestone except for them putting the mothballs on it when they were in power.

It's those kinds of comparisons that people are going to make more and more. They're going to compare our record on long-term jobs with their record on long-term jobs. They're going to compare, not just the first two years when times have been pretty tough, they're going to compare the entire four-year period. That is why I agree totally with the Premier, when he says that members opposite should think twice before they make some of their arrogant, blustering statements about what's going to happen in the next election because it's not quite as simple as they think.

I've talked about development. Is that the only area which is going to make a difference? I think not. There's going to be something else, too, and that is just going to be general credibility. General credibility. I must say to members opposite that I think they have a problem in that regard as shown by some of the statements made by their current Leader. I'm really amazed at some of the statements he's made. I've mentioned it before; I mentioned it in my last speech. The Member for Flin Flon says he never checks his facts. He certainly didn't today. But does anybody remember his speech about seat belts? I remember it; some of my constituents remember it. He repeated it at a speech to the Tory membership, as the Member for Inkster points out. He remembers which way that member voted when that bill was brought before this House. How did that member vote? He voted in favour of it. But how is he going around the province now? How is he talking about it? He's saying, I'm against it. It takes away freedom.

Now really. Can you believe that? A Leader of one of the major political parties in this province, the Leader of the Opposition, is going around the province saying he's against something he voted for. One member here says, did he have memory lapse. I don't think so. I think he seriously thinks he can get away with that. He seriously thinks he can say one thing here and one thing there and another thing in another part of the province. Sorry, it doesn't work that way. I'm really sorry it doesn't work that way.

I can tell you, I get a very interesting response from my constituents about his statements on that because I've talked to people who are both in favour of a seat belt legislation and against it. They've all agreed that the Leader of the Opposition is inconsistent. I would use another word but it's unparliamentary. They use another word, but basically they say that he's inconsistent. We could try to rationalize for the Leader of the Opposition and say that maybe he learned the error of his ways, that he's going to listen to the majority of the people of Manitoba. They've used that rather recently. They've used that as a battle cry. We stand for what the majority of the people stand for in this province.

Let's talk about something else the Leader of the Opposition has been talking about recently, rent

controls. That was a major issue in the last election. If the Tories don't believe that, they should talk to some of their defeated candidates about it. Rent controls was a major issue. Now here's the Tory Party which claims to be the party that speaks for the majority. Now where do the people of this province stand on rent controls? According to any survey, it's 70, 80, 90 percent in favour. I ran a constituency survey; 80 percent responded in favour of rent controls. I got responses back from all kinds of people, tenants and non-tenants. I even got a response back from a landlord who said, I'm a landlord but I favour rent controls, it's only fair. Where does the Leader of the Opposition stand on that? Well, we know where he stands. He showed it by his actions. He dismantled rent controls when he was Minister in that government, that Conservative Government. Has he learned the error of his ways on that? Not at all. He is still against rent controls. So why is this newly-appointed — (Interjection) — one of the members says that he's backtracking on that issue. I really hope he will. I really do because I think that the majority of people want rent controls. I think that they're working, as the former Minister of Housing points out, who would know directly from his own experience that they're working. I think it's a sorry state of affairs when the Leader of the Opposition wants to ignore 80 percent of Manitobans.

Is there any consistency in that? Is there really any consistency in the approach that the Conservatives have taken? I would like to suggest there is. The consistency to a certain extent at some times is the inconsistency. In other cases, it's the political opportunism. But the bottom line is the same. It's the same old-time politics. Basically, what you do is you say one thing to somebody here and you say something to somebody there. You try and say as many things to as many groups as possible and hope that you won't get caught up in the meantime.

You also look after your friends, as the Leader of the Opposition was apparently trying to do on rent controls. He's obviously not paying any attention to the majority of the people in Manitoba. He's trying to look after some of this Tory supporters. So that's another aspect of this old-time politics. There's another aspect, too, and that is this hyperbole you get, this partisan hyperbole, that you're doing everything wrong. Everything in this province that is going wrong is because of you. Let's look at one of the statements that the Leader of the Opposition made in that regard, because I think it's very interesting. He's been saying that we've been driving away employment because of various things, most particularly the 1.5 percent post-secondary education and health levy. He's been saying we've been driving away employment, saying we're not being competitive with other provinces. Well, I know that to be patently untrue from my own experience in my own constituency. In the constituency of Thompson, we have just received word from Inco that they are going to be transferring a good portion of the former operation of Port Colborne, Ontario. — (Interjection) — That's right.

Now I've asked the Leader of the Opposition a number of times why this would happen. We have a Tory Ontario and they're moving out of Tory Ontario. They're moving the production into Manitoba. But you see he says he spoke to the mining companies when

he was in Thompson recently. You notice he didn't speak to anybody else, just the mining companies - but anyway, we'll talk about that some other time - but he spoke to the mining companies and he was told what a tough time they were having, such a tough time that they moved the entire Port Colborne operation up to Thompson. Now really, what is the explanation for that? The fact is that Thompson was considered to be more efficient and more productive than Port Colborne. So, before any of the Tories say, yeah, but. Well, let's hear the yeah, but. How can they explain that on the one hand and then go around saying that we're becoming uncompetitive? We're losing all this industry? How can they say that?

Well the fact is, they clearly have to recognize that there are many factors involved in making a decision to locate in a province or not to locate in a province. In the case of Thompson, it was clear that we had the advantages.

Another example is the announcement with Alcoa today. It's clear we have a number of advantages in terms of aluminum. It's clear we have a number of advantages and if we take the right economic approach, we can develop advantages in other areas. We can develop the new technologies that are out there and gain an economic advantage and attract new investment that way, but not if you'd listened to members opposite - no, no, no - because we have an NDP government, we're scaring off investment. Well, really, I think that's classic old-time politics. It may sound great when you're talking to Conservative Party supporters but I don't think it washes anymore. You have to look at the various factors and you have to admit, that simply is not the case. I mean the fact that we have the lowest unemployment rate in Canada, and some of the best investment records is clearly an indication of that.

So when you look at it that is the bottom line, it's old-time politics. I say we need a different approach. I don't think we need to get up like the Member for Emerson did and get into this hyperbole, this ultrapartisanship for 40 minutes and then get up for one minute and say, well really we should all work together and blah, blah, blah. You know that really doesn't wash when you take that approach. He takes this all-time approach of hitting the NDP for everything and then he stands up for one minute and says, no, no, no, we should take a new approach. Well really, I think there can be a different approach but we have to basically look at things in a different way.

Let's look at the real issues the people are talking about. I was out knocking on doors talking to people in-between the Session and it was a different experience, I'll tell you. You talk to people on the street, you talk to them in their own homes and it's nothing like what you'd expect from what you read in the media or what you hear in this place particularly. What they're looking for is a solution to the problem in long-term jobs. They're also looking for some innovative approaches in the area of education and health care and that's a big issue in my area - education and health care. There are some damn good ideas out there, some really good ideas about what can be done.

I would suggest that this government is at least trying to respond in those areas. Let's look at some of the initiatives of that. I talked about the long-term development, they hydro development. We're also

bringing in an expanded capital investment scheme which will help improve capital investment in the province. We have a Venture Capital Program, we're trying in that area.

We're talking about developing a technology policy. We're talking about getting new attitudes to the workplace, work-sharing and things of that nature. We're talking about a new approach to industrial relations. I could go on with a list of things that we are trying to develop but I think it's clear that we are at least trying in that area. We are getting some good response to that. For example, the Labour Law Review package that was released yesterday, has been tagged as being innovative, the first of its kind in Canada. I think that's good and I think there are some excellent measures in that. I think it's up to us to develop those kinds of policies.

There are going to be announcements made in the upcoming time in terms of education, some pretty innovative ways of getting education out to the people instead of the other way around. I think that's what people are looking for.

In terms of technology policy that the Minister talked about earlier, the response from the Conservatives was, well, boring; they talked about it being boring. I don't think it's boring at all. I think developing a policy to tackle technology to get the maximum benefit and protect people about the negative impacts, is the kind of exercise that can be rather exciting, if you like. It's tackling our future in a constructive and innovative way. I think that's the general approach that we have to take.

I really believe that the future of Manitoba can be exciting if we approach it in an innovative and a constructive way. I really believe we are at a turning point, economically, in this province. I think we're at a turning point in terms of the impact of many of these technological advances of the last number of years. I think they're reaching the point where they can really benefit Manitobans, the average Manitoban on the street.

But we're not going to maximize the benefits of these policies by old-time politics; we're not going to maximize that. We're not going to maximize it. We continue to make people cynical about politics by statements such as the statements made by the Leader of the Opposition. The only way in which we're going to maximize the potential of the province and really start developing the policies we need for the next century, because that's only 16 years off now, is to take a different approach, a new and innovative approach.

As I have said throughout this discussion today and also in the Throne Speech, I really believe the government has made some innovative changes in that regard. I think that we have made some particular changes in the North. I think, too, that the people of the province are beginning to recognize that. Now, they haven't been totally satisfied with what the government has been able to do in the last two years, that is clear,

clear to anybody you talk to. As I said, whenever you talk to somebody there is always the yes, but. They will give the government credit for certain of its activities and they'll say, but, we want more.

The fact is though, this government is taking up that challenge. We are recognizing that the people want these new innovative changes in health and education, recognizing that they want the long-term jobs and I would say in the next two years you're going to find that we are going to be delivering it.

There will be some ramifications, in political terms, there will be ramifications in terms of the election. I seriously believe that before members start running around with their polls or any arrogant statements about them being back in government, they should wait out the next two years before placing any bets on that, because it's going to be interesting to watch.

But really, I don't think that should be the only goal that we face here. Instead of sitting here as some members do, especially on the opposite side, calling out every two minutes, let's call an election, let's call an election, how about hearing some alternative policies? You know, if your Deputy Leader doesn't speak for you when he says he'd rather see a 2 percent sales tax, just tell us where you stand. What do you want, a higher deficit? What do you want, lower programs? Do you want another kind of tax? Just tell us. That's all we're asking.

Same thing on long-term jobs, tell us where you stand. That's what we want to hear from you and I would suggest that's what the people of this province want to hear as well. Because as much as they are looking for more from their governments, I think they're also looking more from those who would claim to be a potential government as well and that's the answers we have to come up with in the next few years.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. R. BANMAN: Mr. Speaker, I wonder, after that speech from the Member for Thompson, many of us probably want to go home and digest those words of wisdom and others would just like to get out of here. I wonder if we could call it 10:00 o'clock.

MR. SPEAKER: Does the honourable member wish to adjourn the debate?

MR. R. BANMAN: Yes, Mr. Speaker.

MR. SPEAKER: It is moved by the Honourable Member for La Verendrye and seconded by the Honourable Member for Morris, that the debate be adjourned. Is that agreed? Agreed and so ordered.

The time being 10 o'clock, by leave, this House is accordingly adjourned and will stand adjourned until 10:00 a.m. tomorrow (Friday).