

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 1 April, 1985.

Time — 2:00 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. J. Walding: Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . .

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister of Energy and Mines.

HON. W. PARASIUUK: Mr. Speaker, I would like to table the Annual Report of the Manitoba Oil and Gas Corporation for the year ending December 31, 1984.

MR. SPEAKER: Notices of Motion . . .

INTRODUCTION OF BILLS

HON. S. USKIW introduced, by leave, Bill No. 23, An Act to Amend The Fires Prevention Act; Bill No. 27, An Act to Amend The Wildlife Act; and Bill No. 28, The Manitoba Habitat Heritage Act; Loi sur la protection du patrimoine écologique du Manitoba.

HON. M. HEMPHILL introduced, by leave, Bill No. 26, An Act to amend The Teachers' Pension Act.

MR. P. EYLER introduced, by leave, Bill No. 29, an Act to amend The Architects Act.

ORAL QUESTIONS

Native self-government - Entrenchment in Constitution

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Thank you, Mr. Speaker.

My question is for the Premier in that it being the eve of the First Ministers' Conference on Aboriginal Rights, I wonder if the Premier could indicate to us what position the province will be putting forth with respect to the entrenchment of Native self-government in the Constitution.

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, the position will be consistent with the basic positions that have been taken by the Provincial Government during the past two such Aboriginal Conferences which took place in 1983 and 1984. They will be, of course, distributed during the conference itself, but the honourable member will find they are basically consistent with the positions that

have been taken in the previous two conferences that have been held pertaining to aboriginal rights.

MR. G. FILMON: Mr. Speaker, is the Premier indicating that the province will be supporting the entrenchment of Native self-government in the Constitution?

HON. H. PAWLEY: Mr. Speaker, we're in basic agreement with the proposal that is, I understand, being tabled by the Prime Minister tomorrow at the Conference.

MR. G. FILMON: Mr. Speaker, is the Premier indicating that the government will be supporting the principle of the entrenchment of Native self-government in the Constitution?

HON. H. PAWLEY: Mr. Speaker, as I indicated the Prime Minister will be tabling a proposal tomorrow, which basically supports the principle of the movement toward the establishment of the institutions of self-government insofar as Indian people are concerned; we are in basic support of that proposal.

MR. G. FILMON: Mr. Speaker, would the concept of self-government, as the Premier sees it, include that for Metis and non-status peoples?

HON. H. PAWLEY: Mr. Speaker, insofar as all evolution of different institutions towards self-government is contingent upon, (a) it being done within the framework of the Canadian Constitution which includes there being advancing, subject to the provisions of the Charter of Rights; and secondly, there be accompanying any such transfer towards greater institutional development of self-government, a fiscal responsibility to accompany that, and based upon those two conditions we support the gradual evolution of self-government insofar as all Native communities are concerned.

MR. G. FILMON: Mr. Speaker, did the Minister indicate when he said all Native communities, that it includes Metis and non-status people?

HON. H. PAWLEY: On a territorial basis, Mr. Speaker.

MR. G. FILMON: Mr. Speaker, would the Premier's definition of Native self-government include jurisdiction over such matters as labour relations, for instance?

HON. H. PAWLEY: Mr. Speaker, the very principle and basis of the agreement and concept that is being proposed by the Prime Minister is that the working out of details would flow from the federal position paper that will be tabled tomorrow, that based upon the support in principle of self-government, then details as to the timing and the extent of the evolutionary development would take place as a result of negotiations and discussions.

MR. G. FILMON: Mr. Speaker, is the Premier indicating that the position is that there is support in principle

on the part of this administration, but that there is no accepted definition at the present time of what's meant by that principle?

HON. H. PAWLEY: Mr. Speaker, the Leader of the Opposition is correct. The Prime Minister and the Federal Minister of Indian Affairs have indicated that there is agreement on their part, as there is on ours, insofar as the concept issues pertaining to definition, issues pertaining to institutions, the extent of progression, and the accompanying fiscal transfer of responsibility. Matters pertaining to ensuring that any transfer be consistent with Confederation and with the Canadian Constitution would require much more discussion that would have to take place.

User Fees - Chronic and mental health centres

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Mr. Speaker, my question is for the Minister of Health. In view of the fact that in running for election in this province in 1981, the New Democratic Party indicated that it was totally opposed to user fees, will he now be rescinding the instructions from his department that daily residential charges for chronic-care patients in hospitals and mental health centres will come into being as of May 1st?

MR. SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Speaker, definitely not. The user fees that we are talking about are for people who have to maintain a home and are going in the hospital for a number of days, such as an acute hospital.

Let me explain that what we're doing now is that people in a mental institution will, if they have been there a year or so, have to pay the same as if it was just a personal care home, the same thing. We weren't allowed to do that before while there was cost-sharing. There's been a change as you know - as I say it will be at least a year in a mental institution. It will not be the revenue of the family; we're not going to saddle the family with any unjust or difficult situation; it will be the individual; and they will have to have at least \$150 a month before anything will be charged to them at all.

Now, you can't have it both ways. We are talking about deficit. We have the situation — (Interjections) — Wait a minute. We have a situation where these people are receiving a pension, in most cases, from the Federal Government to pay for food and shelter; they're getting the food, shelter and drugs, and they're paying \$15 or so, when the cost is \$100 a day. We're not going to create a situation where the people will turn around and be able to give their money to their children while the taxpayers are asked to keep them in these institutions. These institutions become their homes.

Now, the Rehab, that'll be the same thing; it'll be people that the doctor will have to say there is no chance of rehabilitation anymore after at least 30 days. It'll be the same, and they will not pay, as I say, they

would have to keep their first \$150.00. So I have no hesitation in saying that even if things weren't so tough, I still think that this would be fair. I think that when you have people in geriatric and psychiatric institutions you should pay maybe, if your friends in Ottawa decide to do cost-sharing, and instead of saying, well, that's it, we'll cap it — (Interjection) — we might look at it.

MR. G. FILMON: Mr. Speaker, it's not I who wants to have it both ways. I'm not the one who's spending the money on advertising, and then putting the charge on the patients in the health care institutions.

My question for the Minister of Health, Mr. Speaker, is: does this mean that there will be a means test and an asset test used to decide who pays?

HON. L. DESJARDINS: I would like to thank the Leader of the Opposition who gave me a chance to answer these questions. I won't need anybody to advertise, if you'll give me a chance to explain the policy that we have. Mr. Speaker, it'll be the same test as you have in a personal care home, nothing more.

MR. G. FILMON: Mr. Speaker, does that mean that there is a means test and an asset test applied?

HON. L. DESJARDINS: It's the same test as the personal care home. If there is a pension, they will keep the first \$150.00.

MR. G. FILMON: If the individual under these circumstances happens to continue to own a home, does that mean they will have to pay?

HON. L. DESJARDINS: I think the policy, maybe my colleague, the Minister responsible for welfare - this is not something that will be dealt with in our department. I would imagine it will be the same, that whatever they have, they can improve the equity in a home. They're not going to be able to pay a mortgage and so that it'll improve the equity on it while we're paying to give them shelter, no; but they will not lose anything that they have.

MR. G. FILMON: Mr. Speaker, I wonder if the Minister of Health could indicate what amount of money will be raised by the government as a result of these charges.

HON. L. DESJARDINS: I'll be very pleased, Mr. Speaker, to discuss this in the Estimates. I understand that the Estimates of Health, at the request of my honourable friend - we'll go in the Estimates as soon as this is finished, and as the Estimates of Health are the first ones, I'll give you the information. No, I don't know.

Limestone Generating Station - Awarding of order to CGE

MR. SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Mr. Speaker, I direct a question to the Honourable Minister of Energy and Mines having to do with the awarding to Canadian General Electric of a

very substantial order for turbines and generators. Is the Minister indicating to this House that no other proposals were seriously pursued?

MR. SPEAKER: The Honourable Minister of Energy and Mines.

HON. W. PARASIUK: Mr. Speaker, I indicated to the House that the government pursued the exact same course of action that the Schreyer Government and the Board of Manitoba Hydro and the management of Manitoba Hydro pursued in 1977. They pursued the same course of action that the Lyon Government pursued in 1981 along with the management and Board of Manitoba Hydro. At that time, we expanded on that beyond that. Both those previous administrations were only talking to Canadian General Electric. We, in fact, asked a number of other companies for their proposals beyond that, Mr. Speaker, but given the response of all of them, we decided that the best course was with Canadian General Electric.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Mr. Speaker, specifically, a spokesperson for the Marine Industries Corporation out of Quebec that makes this equipment indicates "that they were working diligently to put together, to prepare an industrial benefits package." Were they given an opportunity by this government, by this Minister, to present that package?

HON. W. PARASIUK: I certainly thank the Member for Lakeside for that question. They, in fact, were asked to make a proposal in September of 1984. There were meetings that took place between Marine Industries and Manitoba Hydro officials in October; and then on November 15, 1984, an executive director of the Manitoba Energy Authority telexed the president and chief executive officer of Marine Industries asking them to submit a general proposal outlining pricing parameters and Manitoba industrial benefits.

The telex indicated that we were waiting for this proposal, but we had not received it, and we asked them if they were considering such a submission, when we might expect to receive it. At that time Marine Industries was involved and still is involved in major industrial disputes and we did not receive proposals from them, Mr. Speaker, and we did go with Canadian General Electric.

MR. H. ENNS: Mr. Speaker, I wonder if the Minister would be prepared to table in this House all correspondence inviting companies to participate in a major industrial order of this kind and their responses. Would he be prepared to table in this House the invitations to prepare proposals, if not open tenders, and their responses?

HON. W. PARASIUK: Mr. Speaker, I think that's normally a matter that would be best dealt with in Address for Papers, but certainly we will provide the information in due course and I'll dig through the files of the previous administration to determine whether in fact they sent out any requests to anyone regarding

proposals for turbines and generators. Mr. Speaker, I'm quite prepared to undertake that on behalf of the Member for Lakeside.

MR. H. ENNS: Mr. Speaker, a final question.

Is this going to be the pattern for other major contracts with respect to the Limestone development project, that this government will set aside the normal tendering system which has I remind all members by and large served taxpayers of Manitoba well, and that this government will be seeking out and making their own decisions with respect to awarding of future contracts?

HON. W. PARASIUK: No, Mr. Speaker, indeed I have said consistently that by and large Limestone will be built according to the competitive tendering process. We already have a call for tenders for the major civil contract. We certainly should explain to the public if we depart from the competitive tendering process.

I believe, Mr. Speaker, that we have explained that there was an agreement signed in 1977 where the government and the Manitoba Hydro would make every reasonable effort to purchase turbines and generators from Canadian suppliers. That intent was followed up by the Schreyer administration; that intent was followed up by the Lyon administration. I find it rather unusual that the Conservatives are now saying that what they did in 1981 seemed to somehow have been terribly irregular.

I think, Mr. Speaker, one has to weigh the benefit of this industrial offsets package. Manitoba Hydro is very satisfied with the price; it is lower. It is lower than that which they estimated. We are very pleased with the industrial offsets, Mr. Speaker. We have a package now whereby we will create an additional 2,000 jobs in connection with the Limestone development, taking the total from 17,000 jobs to 19,000 jobs, Mr. Speaker. We have tremendous long-term investments in Manitoba, not only in the south but in the north as well. We believe that this is the way in which one can use Limestone in a very beneficial way to ensure that there is a maximization of spinoffs for all Manitobans, Mr. Speaker.

We certainly don't expect to use this instrument that often, because we do believe that it is possible, through the general system of competitive tendering, to achieve many of these objectives as well, but we certainly aren't departing from policy as was practised by two previous administrations.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. R. DOERN: Mr. Speaker, I would like to direct a question to the Minister of Energy and ask him whether he can confirm that given the escalation clauses in the General Electric agreement that the final cost could be \$250 million?

MR. SPEAKER: The Honourable Minister of Energy and Mines.

HON. W. PARASIUK: That's true, Mr. Speaker. We indicated that the contract was in 1984 dollars and there are escalations built in. It's approximately just

less than 10 percent of the tender price. So in as-spent dollars by 1992, that tender, in fact, could amount to in the order of \$250 million, Mr. Speaker, but I would assume that it will be less than that.

MR. R. DOERN: Mr. Speaker, it seems to be somewhat reminiscent of the old statement of two-and-a-half times one.

Mr. Speaker, I would like to ask the Minister whether he could give us and the taxpayers any reassurance that all the industrial benefits that he thinks are beneficial to the province are not simply going to be added to the basic cost of the turbines and then passed on to the people of Manitoba, so that the question basically is: Is this not an illusion? Is he arguing that the General Electric Company is giving us benefits when, in fact, they may simply be passing on costs?

HON. W. PARASIUK: Mr. Speaker, not at all. I welcome the question from the Member for Elmwood, because I must say that from 1969 to 1977 this Member for Elmwood never raised one point about Hydro, Mr. Speaker. He never raised one point about Hydro at that time, Mr. Speaker. He didn't raise one point about two-and-a-half to one at that time, if I can recall, Mr. Speaker. He seems to be suffering from selective amnesia today, Mr. Speaker, but we expect that on this side of the House with respect to that person.

Mr. Speaker, Manitoba Hydro has looked at the contract very carefully. They are satisfied that the price is less than that which they estimated.

MR. F. JOHNSTON: How do they know?

HON. W. PARASIUK: Mr. Speaker, let me assure the people of Manitoba, I trust the calculations of Manitoba Hydro 100 times more than I trust the calculations of the Member for Sturgeon Creek, or their entire Conservative caucus, or their entire array of so-called experts who were completely and totally disproved by the NEB Report received a few weeks ago.

What I am saying, Mr. Speaker, is that there are no extra costs of those offsets, that we are getting the turbines and generators for a price cheaper than Manitoba Hydro initially estimated, but because this is a very good time in terms of the construction efforts and the supplying industry around North America. It's a very competitive time for us to negotiate an excellent deal for Manitoba whereby, Mr. Speaker, we will achieve 15 percent employment in terms of local sourcing compared to 8 percent or 7.5 percent which was achieved with the Long Spruce contract back when the Member for Elmwood was a member of the then administration. So I believe that we have progressed tremendously since that time, Mr. Speaker. We are progressing in a very positive way, and I believe that the benefits to Manitobans will be much greater than the original contract amount.

MR. R. DOERN: Mr. Speaker, I will avoid any cheap shots that are coming from the Honourable Minister. I simply ask him whether he is now in fact abandoning the tender system, and whether all these decisions are going to be made by the Provincial Cabinet without the benefit of the tendering system, and I'd also like

to ask him whether he could indicate whether negotiations were on the basis of \$100 million or \$250 million?

HON. W. PARASIUK: Mr. Speaker, obviously the Member for Elmwood didn't hear my prior response to the Member for Lakeside. I did indicate that we in fact expect that most of the tenders awarded will be awarded through the competitive tendering process, and I indicated that before. Mr. Speaker, I further indicated that the calculations were done in terms of 1984 dollars, and there are built-in escalators into that contract that could take it up to that amount. That depends on the rate of inflation and the rate of escalation. But, Mr. Speaker, in 1984 dollars, that contract comes out to just over \$101 million, and Manitoba Hydro indicates that is significantly lower than the estimate they had put in place for that component of the Limestone Generating Station.

Manitoba should be very pleased that they are going to get the turbines and generators from Canadian General Electric at a substantial saving to Manitobans and, secondly, will be providing as many jobs in Manitoba in the construction of those turbines and generators as if they had been built here, Mr. Speaker, and that is a first. That is a breakthrough for Manitoba, and we, on this side of the House, are very pleased to have that break.

Manitoba Oil and Gas Corporation - Success of exploration

MR. SPEAKER: The Honourable Member for Thompson.

MR. S. ASHTON: Thank you, Mr. Speaker.

My question is also for the Minister of Energy and Mines. Earlier today, the Minister tabled the 1984 Annual Report of the Manitoba Oil and Gas Corporation. My question is as to whether the corporation has struck any oil in its exploration activities thus far?

HON. W. PARASIUK: Mr. Speaker, I'm delighted to announce that the Manitoba Oil and Gas Corporation has participated in its first successful oil wells, and two of the wells are located in the Virden field and the other is situated in the Ebor area of the Daly field, Mr. Speaker. The thing that's significant about this — (Interjection) — Mr. Speaker, I'm surprised that the members of the opposition wouldn't be pleased that Manitobans have this good news to share with them.

Mr. Speaker, these wells were drilled on lands posted and acquired by the corporation in the October 24, 1984, provincial Crown lands sale. They acted in a complete competitive manner with all the other oil companies. They selected these areas, Mr. Speaker, and they found oil. Three oil wells were successful. Mr. Speaker, I know that all members of the House would join me in congratulating the Manitoba Oil and Gas Corporation and in wishing them continued good health and good success.

I forgot to indicate - I've had these in my desk for a while - it's actually real good oil. It's a soft crude, a sweet crude, Mr. Speaker, and undoubtedly there will be many more of these coming forward for the people of Manitoba to benefit from.

SOME HONOURABLE MEMBERS: Oh, oh!

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

Is the House prepared to continue with Oral Questions?

Before calling on the next member, I should remind the members that exhibits are not permitted in the House. The members should bear that in mind.

Selkirk Mental Health Centre - Alleged mistreatment of patients

MR. SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Mr. Speaker, let me just slide into more questions here. I have a question for the Minister of Health.

Mr. Speaker, over the past several weeks, there have been a number of allegations about patient treatment at the Selkirk Mental Home, and recently there have been more allegations of patient mistreatment, etc., etc. Could the Minister indicate what investigative procedures he's undertaking to assure that the quality of patient care is being maintained at Selkirk?

MR. SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: I'd like to thank the member, Mr. Speaker, for this question. I think all the people of Manitoba are quite concerned. I might say that there won't be any hesitation at all if there is any documentation or anything that would help us in an investigation, and we could call an investigation either in-house or an independent investigation if need be. But I think we have to be very careful, because so far it has been just that, an allegation. I don't think it is fair to tar all the employees of these institutions and bring discredit on them.

In the meantime, I might say that first of all, we have very few names. There was a Buccini that was mentioned today. That was two or three years ago, and I'm told that the administrator was quite surprised today, because his report to me was that they were quite complimentary to the group. I might say also that somebody talked about being hooked on a respirator; there is no respirator in that hospital at all.

I might say that in Selkirk they have established good quality assurance programs and the standards are constantly being reviewed not only in-house, but more important by external independent agencies. In this regard, the Selkirk Mental Health Centre has just recently received a three-year certification award from the Canadian Council on hospital accreditation. But, as I say, there won't be any investigation at all. This is very important. The people must have confidence and we would not hesitate to have an investigation.

In the meantime, if it's helpful, I would like to offer my honourable friend, the Member for Pembina, that I will make arrangements if he wished to discuss this with the administrator and to find out what has been found so far. I make that offer sincere.

MR. D. ORCHARD: Mr. Speaker, my supplementary question is along the lines that the Minister alluded to,

that these are allegations, and all of us are concerned about the maintenance of quality health care at Selkirk and our other mental health institutions, and along that line, to avoid any future accusations of the impartiality of an in-house report, would the Minister give serious consideration to having outside investigators check out these allegations to alleviate all concern that an in-house investigation may not have been willing to reveal the true circumstances, if any exist?

HON. L. DESJARDINS: There is no doubt that we would follow that route if there is a need to do that, but with the information, the allegation and the lack of documentation that we have received so far, I don't think this would warrant it. It would be just an added cost and I'd much sooner see that money spent in providing the mental health services that we would like this to do. We want to move in the community services as much as possible.

That is why I say, if there are any names and documentation, this is something we certainly would be ready to look at. That is why, in all sincerity, I had offered that maybe my friend could advise me once he's talked to Dr. Edwards out there, but I think that they are doing everything they can.

On the other case - what's the name of the other case - the Veroneau case, the information, there is no way that we can say for sure one way or another, but there's certainly not any documentation that would indicate that venereal disease was contacted in the establishment. During the stay of Mrs. Veroneau, as a matter of fact there was a test on all the patients at Selkirk, and none of them had contacted V.D. there at all.

So if there's anything at all, if we can get any information from an outside interest to answer my friend's bottom line, we would have no hesitation in having an outside inquiry.

Morgentaler Clinic - Government's position

MR. SPEAKER: The Honourable Member for Brandon West.

MR. H. CARROLL: Mr. Speaker, I have a question for the First Minister. If Dr. Morgentaler's Clinic were licensed to do abortions and therefore be outside of the ambit of the Criminal Code, we wouldn't have the squabble and the wrangling that we now have. Why won't your government license Dr. Morgentaler's Clinic?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, that's a matter that would be more appropriately directed to the Minister of Health.

MR. SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Speaker, it is very much a question to be answered by the Minister of Health, because the facilities are there now. There's no proof of anyone, wishing to have an abortion, having to go to the United States. As we announced earlier, we are

trying to do everything we can to prevent unwanted pregnancies to start with and then, following the Criminal Code which is a federal law, to have these facilities instead of people having to go to the United States, and that is not the case in Manitoba.

These legal abortions could be performed in Manitoba, and there certainly is no need to license a clinic to have somebody come in from another province to give the service that is certainly not needed here.

MR. H. CARROLL: Mr. Speaker, if what the Honourable Minister is saying is true and if the facilities in Manitoba are so adequate, how come Dr. Morgentaler has so many clients waiting to get in to see him?

HON. L. DESJARDINS: If you scratch a bit, Mr. Speaker, you will find out that some of them are from the United States . . .

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

That question is argumentative. Would the honourable member wish to rephrase the question to seek information?

MR. H. CARROLL: My question then is to the First Minister. Is it not true that it is his party's policy that there should be freedom of choice for women to decide whether they want an abortion or not?

MR. SPEAKER: The question is still argumentative.

Manitoba Medical Services - Medical coverage outside province

MR. SPEAKER: The Honourable Member for Emerson.

MR. A. DRIEDGER: Thank you, Mr. Speaker. My question is also to the Minister of Health. Based on statements made by the Minister's department last week that health services that could be provided in Manitoba will not be covered by Manitoba Health Services Commission if they are obtained outside the province, can the Minister indicate to the people in my constituency whether they will still be able to obtain health services in Roseau and Warroad, and will still be covered by the Health Services Commission?

MR. SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Speaker, my honourable friend quite conveniently forgets the sentence there that says: ". . . unless approved by the Commission," and he knows full well that there has been an arrangement made, and that has been approved.

We're talking about people who are going for second or third tests and tests that are being done either in Mayo and other places. We're trying to improve the situation and give the best of care in this country, and this would not work in that direction.

MR. A. DRIEDGER: Just a further question to the same Minister. Is the Minister indicating then that the arrangement that is in existence right now will continue to be in existence for the people in southeast Manitoba?

HON. L. DESJARDINS: If my honourable friend is talking about those who are seeking help in the hospitals in the United States, in this case, yes. This is not the same thing at all.

ARM Industries, Brandon - Number of employees

MR. SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Mr. Speaker, on Friday the 29th of March, I was asked a question by the Member for Turtle Mountain about the number of clients and employees at ARM Industries in Brandon.

I have the figures for 1983 and '84; a total in 1983 of 149 clients and 153 in 1984. The number of employees in '83 was 12; the number of employees in '84, 11.

There was a period of time at the end of '84 where the number of employees was cut to half through job-sharing; and through welfare and unemployment, people received only a minor reduction in salary, but now the orders for picnic tables are in. We expect to produce 10,000 tables this year, so they're all back working full-time. That's an increase over the level of production last year of 7,200.

Gasoline tax - Transitional boundary area

MR. SPEAKER: The Honourable Member for Virden.

MR. H. GRAHAM: Thank you very much, Mr. Speaker.

I have a question for the Minister of Finance. I understand today there are new gasoline tax rates in place in the Province of Manitoba and this question deals with the transitional area along the Saskatchewan boundary. Can the Minister indicate to the House how much tax is presently being collected in Zone A, which is the Town of Flin Flon, today as compared to last week?

And the supplementary would be: how much is collected in each of the other zones today as compared to last week?

MR. SPEAKER: The Honourable Minister of Finance.

HON. V. SCHROEDER: Thank you, Mr. Speaker.

I presume that depends on how much gas is pumped in some of those zones. I'll take all of that as notice.

MR. H. GRAHAM: At the same time as the Minister is taking that as notice, could the Minister indicate to the House what rationale was used in the selective discrimination of rates that apparently is taking place in his new rates on the transitional boundary area?

HON. V. SCHROEDER: I'll take that as notice as well, Mr. Speaker.

Family Life and Sex Education Course - Status of

MR. SPEAKER: The Honourable Member for Morris.

MR. C. MANNES: Thank you very much, Mr. Speaker.

Last week, I posed a question to the Minister of Education, and I asked if she would tell the people of Manitoba specifically what schedule she had in place for the revision of the Family Life and Sex Education Course. The Minister at that time indicated that I could ask the question during Estimates.

In view of the fact that Education Estimates are to be one of the last on the list and possibly not till late May, I am wondering if the Minister would care to tell Manitobans what she has in store with respect to that course.

MR. SPEAKER: The Honourable Minister of Education.

HON. M. HEMPHILL: Thank you, Mr. Speaker.

I'm not sure that I just said that the question was appropriately dealt with during Estimates, rather than now. I think that I also suggested that we are developing all of our curriculum in the normal curriculum development process, and that when it is completed and when it's appropriate and when we're ready, we will release it and announce the timetable and how it is going to be handled. So it is not just a matter of when the Estimates do or don't come up in the House, it's a matter of when the curriculum is completed to my satisfaction.

MR. SPEAKER: Order please. The time for Oral Questions has expired.

HANSARD CORRECTION

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. A. ADAM: Mr. Speaker, I would like to make a correction in Hansard, if I may. On Page 425 about two-thirds down, the right-hand side, in my comments on the Throne Speech, I was speaking about the beet producers in the Province of Manitoba and change of policy in this regard, and I made this comment: "Since the Federal Government wants to change its policy and provide support for beef producers . . ." "It should be "beet" producers, not "beef." A very small error.

MR. SPEAKER: Thank you.

NON-POLITICAL STATEMENT

MR. SPEAKER: The Honourable Member for Roblin-Russell.

MR. W. McKENZIE: Mr. Speaker, I would like to make a non-political statement, if I could.

MR. SPEAKER: Does the honourable member have leave? (Agreed)

The Honourable Member for Roblin-Russell.

MR. W. McKENZIE: Mr. Speaker, I am delighted to stand here this afternoon and congratulate Roblin Truck Service, one of the great small business operations of this province, in receiving the award from the Winnipeg Chamber of Commerce last week as the Enterprise of the Year Award from outside this capital city of ours.

Mr. Speaker, this is one of the classic examples of what a small business can do without the hand of government pushing them over here and moving over there and trying to . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please.

MR. W. McKENZIE: Mr. Speaker, Mr. Kurchak, his wife and his staff of some 35 employees have started from \$7,500 and built up one of the finest trucking industries we have in this province. Mr. Speaker, they provide free service for charities, for churches; they clear snow; they do all kinds of good things for people free. Isn't that a wonderful thing today, Mr. Speaker!

I hope all the members of the House will join me today in wishing Mr. Kurchak, his wife and Roblin Truck Service all the best for the future. Those are the kinds of small businesses that are going to make this province tick, Mr. Speaker. They are not having their hand out with a tin cup looking for a handout.

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, I trust it wasn't with a hand of government - it could be so interpreted - that I had the very pleasant experience of presenting to Mr. Kurchak and to the Roblin Trucking Service the award of appreciation this past Thursday in the City of Winnipeg, along with six other very successful Manitoba businesses that have demonstrated not only by way of their entrepreneurial spirit but by the way of their community contribution in many ways that they are indeed good Manitobans, and I am pleased to associate, certainly this side of the House, with congratulations to those so affected.

ORDERS OF THE DAY

BUDGET DEBATE

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance, and the amendment thereto proposed by the Honourable Leader of the Opposition, are you ready for the question?

Prior to recognizing the Member for Turtle Mountain, I would remind members that he was deprived of five minutes of debating time on the Throne Speech. With the indulgence of the House, I will propose to give the honourable member an additional five minutes at this time.

The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Thank you very much, Mr. Speaker.

I am so closely programmed in these matters that I am not sure that I will be able to take advantage of that generous offer proposed by yourself and consented to by the House.

Mr. Speaker, this Budget was described by the First Minister as being carefully crafted. Carefully crafted it may have been, Sir, but not well-crafted, not honest, not informative, not unifying and certainly not in the best interests of the public.

It was carefully crafted to divide our people, to divide them into opposing groups, it misleads our people as

to the real state of our fiscal affairs and, contrary to the public utterances of the Premier against blaming scapegoats, this Budget does exactly that, to cover up for the government's own incompetence and mismanagement.

The Budget can also be said to be carefully crafted in the sense that it can be summed up in two superficial slogans: fairness to ordinary Manitobans and putting people first. Slogans, Mr. Speaker, that are calculated to be of benefit to the NDP in the upcoming provincial election. It is carefully crafted in the sense that anyone who attempts to defend the scapegoats that are identified by this Budget, or to quarrel with the simplistic slogans, will become targets of political demagoguery. But despite the risks, Mr. Speaker, the duplicity and sloganeering of this Budget need to be identified for what it is and for what it is, being a not-so-subtle attempt to promote class divisiveness and at the same time cover up for years of fiscal mismanagement.

Mr. Speaker, did you know that there are two categories of people in Manitoba that are identified by this Budget? There are ordinary Manitobans and there are other Manitobans, Mr. Speaker. They go out of their way in this Budget to speak about ordinary Manitobans. Repeatedly, they speak about ordinary Manitobans. It's a curious distinction, Mr. Speaker, but it's one that is deliberately made and is also intended to be part of the NDP election strategy, just as it was part of the NDP election strategy at the federal level.

I will give you a couple of quotes, Mr. Speaker, from the Budget to indicate what I mean. Page 2, for example, the Minister of Finance has said, "This Budget builds on that commitment because this NDP government cares deeply for ordinary Manitobans." Another sentence on the opposite page, on Page 3, "In Manitoba we have put ordinary people first and the results are clear."

Now, repeatedly, this government says that they are concerned about ordinary Manitobans, but nowhere do they say that they care about all Manitobans. Instead, they divide them into these categories of ordinary Manitobans that this government cares about and, presumably, extraordinary Manitobans that this government doesn't care about.

That doesn't happen just by chance, because it's repeated again and again and again throughout this Budget, and that's part of the carefully-crafted reference that the First Minister makes.

What the government wants to do is to leave the impression that they're on the side of ordinary people. Of course, most people would identify, I think, with themselves as being ordinary people. They have some idea of what the government means here, but clearly the government wants to be on the side of ordinary people and not on the side of extraordinary people. And of course, by implication they want the public to believe that while they're on the side of ordinary people, the Progressive Conservatives will, of course, be on the side of those extraordinary people that the government doesn't want to back.

We all remember how that sort of theme was exploited in the 1981 election. Mr. Speaker, you may yourself recall that some of the ad campaigns of the big hand with the big cigar, cutting up the cake shaped like the Province of Manitoba, I'm sure that must have been one of the extraordinary people cutting up that cake

that this government didn't care about. But it's interesting to look at just who are these ordinary people that the government talks about and who are the extraordinary people that they don't seem to care about.

The Budget gives us some indication of that although the government has not been very forthcoming in identifying just who these people are, but there is a quotation in the Budget which comes from a paper that the First Minister presented at the First Ministers' Conference in Regina a few weeks ago. That gives some indication of just who it is that the government would consider to be these ordinary people and I'll give a couple of quotations from that Mr. Speaker. This appears on Page D9 of the Appendix to the Budget, and this says and I quote "Our decisions must be fair, fair to ordinary Canadians, fair to working women and men, fair to the employed and unemployed, and fair to youth and future generations." So, presumably, Mr. Speaker, if that's some of the people at least that are included in the government's definition of ordinary Canadians, we can only assume that that's also a definition that they would use for ordinary Manitobans. And, indeed, on Page D8 of the Appendix, there is an even more revealing and explicit statement. This says and I quote "And, while well-to-do Canadians and profitable corporations are avoiding taxes, leaving ordinary working women and men to pay the bills, the resulting deficits are being used as justification for a tax on public programs and services."

So there it is. There's the identification. You have the ordinary people that include such people as employed and unemployed, youth, and the people who are not included in that definition, the extraordinary people that the government doesn't back and indeed wants to set up as targets are the well-to-do and profitable corporations.

Well, Mr. Speaker, this statement and it's repeated in the Budget, it doesn't just appear in the statement that the First Minister made in Regina some weeks ago, but it also appears in the Budget. It spells out why ordinary people should not like these other people, these extraordinary people, these well-to-do people and the profitable corporations. The reason that they shouldn't like them, Mr. Speaker, is that they're responsible for the deficit. Those people are responsible for the deficit.

This is really an astounding quotation. And I recommend to the members opposite, who haven't looked at it carefully, to look at it, to read this statement through very carefully. I'll read it again Mr. Speaker, because it is really, truly, an astounding statement that reflects the kind of poisonous attitude that these members opposite have towards certain people, certain segments of our society. It says again and I quote "And, while well-to-do Canadians and profitable corporations are avoiding taxes, leaving ordinary working men and women to pay the bills, the resulting deficits are being used as justification for a tax on public programs and services."

One sentence, let's look at it very carefully, Mr. Speaker, because it says a lot. ". . . while well-to-do Canadians and profitable corporations are avoiding taxes. . . ." - it doesn't say, some well-to-do Canadians, some profitable corporations, it says well-to-do Canadians and profitable corporations are avoiding taxes. A blanket statement made against a segment of our society.

Then, Mr. Speaker, it goes on from there. There's a great deal in this one sentence. It says, ". . . leaving ordinary working women and men to pay the bills . . ." "So these ordinary working women and men, apart from the well-to-do and apart from the profitable corporations, according to these members opposite are being left to pay the bills. The resulting deficits are being used as justification for attacks on public programs and services. Not only does this sentence say that these people are being left to pay the bills, but this is crafted as the First Minister said, carefully crafted, in such a way as to leave the impression that a deficit is deliberately being created by well-to-do people and profitable corporations avoiding taxes in order that they can launch attacks on public programs and services. Because it says it's being used as justification for attacks on public programs and services, not that public programs and services are under some question because there isn't money for them, but that there has been a deliberate effort to create a deficit so that these programs can be attacked.

Mr. Speaker, I find that kind of approach just absolutely astonishing and shocking to be coming from the First Minister of this government. It's a very, very, slightly more subtle version of the slogan "Make the Rich Pay," that we see plastered all over construction signs by Marxist Leninists and various other fellow travellers. This is only a very slightly disguised version of that and what it is calculated to do is to create divisiveness within our society, and to make these ordinary people feel that somehow it's not they who are responsible, it's those extraordinary people and it's certainly not the government that's responsible for the kinds of deficits that have been incurred. That's why the government makes a call for tax reform as well.

I wondered when I heard the First Minister speak at Regina and I heard him call for tax reform. I thought now that's a curious thing for the First Minister of the province to be doing as he comes up to within a few months of an election because tax reform is a process that's going to take a long time, and it's not likely to have any sort of impact on the revenues that the province might have. But I was, of course being naive, Mr. Speaker, to think that it was revenues that the First Minister was concerned about even though they want to leave the impression that it's revenues that they're concerned about.

On Page 31 of the Minister's Budget there is a statement. The Minister of Finance says: "Unfortunately, the national income tax system is seriously flawed. It is not producing revenue in line with economic renewal." Then on Page 34, he says: "Increases in revenue from the personal income tax are also showing slower growth than incomes."

So I began to examine those statements and those assumptions, Mr. Speaker, and it's evident from the facts quoted in the Minister's own Budget provided in the appendices and in the information appearing in Public Accounts from previous times, that those statements in fact aren't borne out by the facts; that in a five-year period, from 1980 through 1984, the gross provincial product grew by 48.2 percent. In that same period of time, personal income grew by 54.4 percent, and personal income tax revenue to the Provincial Government by 56.9 percent. So over that five-year period, incomes of people grew faster than the economy,

and the return to the government grew even faster than the income to the people. So the statements that the Minister makes in his Budget really are not borne out.

But there is another reason, of course, for wanting tax reform, for calling for tax reform, and it ties in with the distinction that they make between ordinary people and these other people, because what they want is for the public to believe that it's somehow a few wealthy people who are avoiding taxes and profitable corporations who are to blame for this decline in revenues.

I'll certainly acknowledge there's been a substantial or very slow growth in the corporate income taxes over that five-year period. But there's never any acknowledgement from this government that it might be because those companies are not profitable rather than that they are profitable. There is no acknowledgement that it may be is a consequence of this government's policies, that they may be contributing to the fact that those companies aren't doing as well.

No, they want to leave the impression with these ordinary Manitobans that somehow out there, there are wealthy people and profitable corporations who are not pulling their weight. And that may be.

They use as justification, Mr. Speaker, a statement in here, in the Budget. For example, it says that in 1981, there were 8,000 people who earned over \$50,000 income and paid no tax. I accept that figure, Mr. Speaker, and I say it's unfair. It is extremely unfair that people in our society should be making more than \$50,000 and not paying any income tax. But don't confuse that with any sort of reason for the deficit being the size that it is because, again, if one does some calculations on information - and the latest information that I have was from 1980, but the First Minister's reference was to 1981 and I don't think there would be very much difference - if one looks at the number of people, of tax filers who earn over \$50,000 and you calculate an average of that income, and you then applied the average tax rate to it and updated it with inflation, you would find that the government might take in, in today's dollars, roughly \$350 million, if those 8,000 people paid tax at the average rate.

Now \$350 million is a lot of money, Mr. Speaker, but it only represents about 1 percent of the deficit that the government is incurring this year - only about 1 percent. So this government should not go out to try and tell the public that the financial situation that this government finds itself in today, or the Canadian Government finds itself in today, is because wealthy Canadians, well-to-do people and profitable corporations are avoiding taxes. It just isn't so. The facts don't bear that out, Mr. Speaker, they just don't bear it out.

They talk about tax reform. I'm all in favour of tax reform, Mr. Speaker. I think there should be tax reform and I think it should be done perhaps for different reasons than the members opposite think, perhaps for some of the same reasons. I think we would agree that the tax system should be fair, and that even though I'm sure those 8,000 people who weren't paying any tax were doing so perfectly legally within the system established by the government, so they should not be vilified for taking advantage of a system that government has brought in.

But I don't really think that that's fair, and I don't think the public would think that it was fair and therefore

there needs to be some kind of system brought in that has more fairness to it. Maybe some sort of flat rate tax system would be more fair. I don't know, I'm not familiar enough with the details of various tax proposals to be able to say specifically, I favour one over another.

But I know there is a tremendous amount of effort in this country goes into tax avoidance as to people planning their affairs so they can save on paying taxes. For most people the easiest way to make a buck is to properly manage your affairs, to take advantage of all of the opportunities that there are for saving taxes, and that extends right down to people of low incomes as well as to people of high incomes, whether it's just the proper use of Registered Retirement Savings Plans, etc., and shifting from one spouse to another. There are various things that individuals can do. But I find that there is just, in my judgment, an unacceptable amount of effort devoted to manipulating affairs to save on taxes, rather than devoting that effort to really being productive and to figuring out new ways of how we're going to produce more.

So I favour tax reform from that point of view, and I favour it because if we don't do that, and if we don't have a fair system, then you're going end up with an underground economy here, that more and more money is going to miss the system.

But what this government is telling people is that somehow if you plug those loopholes, as they call them, you would have a lot more revenue. Well, Mr. Speaker, I can't accept that. The tax reform, if they mean the same thing by it, will necessarily yield more revenue. They could get more revenue by raising the present tax system. So they should be more clear about what it is they want to accomplish.

I say let's stop blaming the wealthy people; let's stop blaming profitable corporations, and let's stop blaming tax loopholes for the fiscal problems that this government has. Let's look at the problem that the government has, and people can make up their minds for themselves if they look at the facts, as to whether or not these other factors are responsible for the problem that the government has.

From 1981 to 1985 it appears that the gross provincial product in Manitoba will rise by approximately 31 percent. We're not going to know until the final figures are in. In fact we may never know because it seems to be such a difficult thing to measure, but I think it is a fair judgment at this point that the growth of the economy would be about 31 percent over those four years.

At the same time, the government's expenditures have gone up by 48.8 percent. The economy is growing at 31; expenditures have grown by almost 49. But the important thing to consider here is that inflation has been about 25 percent, and that's a figure that I take from the Minister's Budget, which means that real economic growth is going to be in the range of a 6 percent increase over four years and that real expenditure growth is going to be almost 24 percent. So while the real growth in the economy is at 6, real expenditure is at 24. You have a ratio of four to one. The government's expenditures in real dollars have been growing four times as fast as the provincial economy.

The government wants to blame wealthy people and profitable corporations for evading taxes or avoiding taxes for that problem. It simply doesn't wash. It simply isn't borne out by the facts.

Of course, because you have an economy that is growing, or the government expenditures are growing so much faster than the economy, that naturally is reflected in the revenues as well. So the province's revenues have grown by 43 percent over that period of time, and with an inflation of 25 percent, of course, that's a real increase of 18 percent. Well, that's a ratio of three to one. The government has been taking an increasing amount of money from the economy at a rate that is increasing three times as fast as the growth in the economy, and that's money that's coming out of the pockets of everybody. It is coming out of the poor people's pockets. It's coming out of the wealthy people's pockets, but it is coming out at a rate that is three times as fast as the economy is growing.

They have only been able to achieve that much revenue growth by imposing a very substantial amount of new taxes over their four years. I don't think that the public are really quite aware of just the extent that taxes have been increased over the four years.

I looked at the revenues that the government is getting this year and, by going back and looking at previous Budgets and the Estimates that were made there, and looking at Public Accounts, etc., it appears to me that in today's revenue that the government is getting - about \$310 million of that comes from new taxes that this government has imposed in its four years.

So there is very clearly \$310 million that is not out there in the pockets of consumers. It's not out there in the pockets of employers to create jobs. So while the government makes much of their Jobs Fund, which is reputedly to be \$210 million, even though a great proportion of that doesn't even come out of this pot, the fact of the matter is that the government has taken far more money out of the economy, out of the hands of consumers and employers through its increased taxes than they're ever putting back into job creation efforts.

One final figure that should be taken very seriously by anyone who cares at all about the state of the economy, and that is the proportion of the government's new spending over the last four years that has been financed through borrowed money. If one takes the level of spending that the government inherited in 1981-82 and put that base across all four years and considered any money above that to be new government spending, that comes to something like \$3.419 billion. Of course, we know that the government's four deficits are going to come to over \$1.8 billion.

What it means is that, of all this government's new spending in the last four years, about 54 percent has been financed by borrowed money. Over half of the new spending of government is financed by borrowing.

Now I find this very shocking and I find it even more shocking that this government hasn't come to grips with it. There is nowhere in this Budget where they offer an explanation of what is happening. What's going on? How are we going to work our way out of this, Mr. Speaker? We are told, we're given a couple of empty sentences that says that the government is being responsible, it's handling its finances responsibly. It's being fiscally responsible, but there is no place in this Budget where the public is told how are you going to get out of this problem.

The government has acknowledged, members opposite have acknowledged on previous occasions

when I have spoken here and when other members have spoken, that they believe that, at some time, the government's revenues and expenditures should balance. When? When and how is it going to happen? Now we don't get any explanation of that. We don't get any extension of the growth rates, of how they're spending on the Jobs Fund, etc., of how Hydro development, or how laying \$40 million on the table for Pratt and Whitney, how any of those things would bring the public to the point where they could believe that our finances were indeed in sound order.

Instead, Mr. Speaker, what we get is the old class warfare from this government. They're on the side of ordinary Manitobans and it is those other extraordinary Manitobans that are causing the problem, because those wealthy people and those profitable corporations are avoiding taxes. Well, what it really needs in this province is more well-to-do people and more profitable corporations that would pay more taxes, Mr. Speaker, and then we wouldn't have some of the problems that this government has brought on us today.

The ultimate fall-back position that we get from the government, Mr. Speaker, is the other slogan, "Put people first." Now there is nowhere in the Budget Speech that we're told, first ahead of what. It's just: "Put people first." It isn't until you look carefully at the fiscal management of this government that you begin to realize that what they mean is, they're going to put people ahead of sound fiscal management. That's what it means. Put people ahead of sound fiscal management.

That raises a question in my mind. When that kind of slogan is thrown out there for the public, it raises a question about their other slogan having to do with fairness to ordinary people. I raise the question, Mr. Speaker: is it fair to those ordinary people, whether we're talking about working people, employed people, unemployed people, business, youth, students, farmers, whatever, is it fair to them for this government to spend money four times as fast as the economy is growing? Is it fair to those people to take tax money from them at a rate three times as fast as the economy is growing. Is it fair of this government to have increased the debt placed on the average family of four - this is just a direct debt for government, this has nothing to do with their plans for Limestone or telephone or anything - is it fair for them to have increased that debt by just under \$7,000 per family of four, over four years? Because what that does, Mr. Speaker, is to add approximately \$833 of interest costs to that average family of four, to that average family of ordinary Manitobans that next year are going to be asked to pay \$833 approximately for interest charges, most of which is going to leave this country and go to wealthy investors and institutions outside of this province and outside of Canada? Is that fair to ask those people to do that?

SOME HONOURABLE MEMBERS: Oh, oh!

MR. DEPUTY SPEAKER, P. EYLER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: I point out to you, Mr. Deputy Speaker, that in 1980 people earning from \$10,000 to

\$30,000 paid 57.4 percent of the personal income tax in this province. Over 57 percent of the income tax is paid by those people. Is it fair to ask those kinds of people to assume those costs for services that have essentially already been consumed? Is it fair to say to the youth of today that tomorrow and for the foreseeable future, because this Budget offers no light at the end of the tunnel, that they will be asked to go on paying for services that have been consumed already? Not services that have been consumed by those same people, but services that have been consumed by others. Those are questions that the public has to ask themselves when this government puts forward the slogan of fairness and tries to use fairness as a measure of what they have done.

Is it fair to lead these ordinary people to believe that if only the rich would pay their fair share then we wouldn't have a problem, Mr. Deputy Speaker? Is it fair to lead them to believe that? Because one has to look again at the figures for 1980 and you will find in those figures that people who earn over \$50,000 - and I think most of us would agree that someone who earns over \$50,000 a year that most people would regard that as being a pretty wealthy person - anyway, people who earned over \$50,000 in 1980 represented 1.9 percent of the tax filers but they paid 17.3 percent of the tax.

So does that really sound like a group of people who aren't pulling their weight as a group, Mr. Deputy Speaker? Over eight times the proportion that they represent. Within the number of tax filers, they pay eight times the proportion in terms of tax. So is it really fair to go out there and tell other people who make less than that, that if only those rich guys would pay their share then we wouldn't have this deficit problem? I don't think it is. I don't think that's fair at all.

But most of all, Mr. Deputy Speaker, is it fair to threaten the fiscal integrity of the province by spending more money than the taxpayers are prepared to pay? Because that's the situation that this government finds itself in now. They know that if they increase taxes to pay for their spending, they would be defeated. So they are spending more money than the taxpayers are prepared to put up. And by continually doing that for an extended period of time without offering any kind of strategy for how they get out of this mess, how they see the light at the end of the tunnel, is really to threaten the financial integrity of the province.

The one thing that we can be sure of - I think we should make no mistake about this - is that investors, whether they be outside of Canada or outside of Manitoba, will not indefinitely continue to finance the kind of deficits that we have today. They will not do that. At some point, if the government persists in this type of spending pattern that they are pursuing and the sort of excuses that they are giving, they will eventually come to a point where they will not have the money available and then, who is going to suffer the most?

Mr. Deputy Speaker, I say to you that the people who will suffer most when that happens are going to be these ordinary Manitobans, as they call them and the people at the lower end of the income scale will suffer the most: The youth, the students, the people on minimum wages, the unemployed, the people on welfare, those are the people who will suffer the most

because, Mr. Deputy Speaker, you will find that the wealthy people in our society will always be able to look after themselves.

It isn't going to matter to them if the health care system is cut back because they have money to go somewhere else and to get their health care. It isn't going to matter very much to them whether they don't make quite as much money as they did before because they have quite a lot of money anyway. Whatever kind of service the government opts to cut back to them, they will still be able to pick it up but the people who will be hurt are the people at the other end of the scale. This is what is not fair to those people is what this government is doing in trying to pretend that we don't have a problem.

This government doesn't know whether it wants to shun the deficit or whether it wants to embrace it. They used to say that deficits were good and presumably when they say that they are fiscally responsible, then a deficit that size is good, but yet they want to blame it on somebody else.

They want to blame it on those wealthy people who are avoiding their taxes. That's what's unfair to people to run on these kind of shallow slogans. Put people first before fiscal responsibility is what they are saying and that doesn't put people first at all, Mr. Deputy Speaker. That puts people last. That's where they end up is last because if they don't acknowledge today that they have a problem and that they must come to grips with it in a realistic way, then they will inevitably come to the point where the very people that they pretend to champion are going to be hurt the most.

So, Mr. Deputy Speaker, I maintain that this is not fair what they are doing. It is patently unfair. It is not putting people first at all. What it is doing, Mr. Deputy Speaker, is putting the NDP first - not people - but the NDP. Thank you.

MR. DEPUTY SPEAKER: The Member for Burrows.

MR. C. SANTOS: Mr. Deputy Speaker, I rise to speak in support of this Budget.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. C. SANTOS: How do you like that! Just listen.

MR. DEPUTY SPEAKER: Order please.

The Opposition House Leader on a point of order.

MR. H. ENNS: On a small point of order, we are addressing ourselves to the amendment put before us by the Leader of the Opposition, and I encourage all who rise to speak and support it.

MR. DEPUTY SPEAKER: The Honourable Government House Leader to the same point.

HON. A. ANSTETT: I don't think the point of order taken by the House Leader or the Official Opposition is well taken. I think the statement by the Member for Burrows is a clear repudiation of the amendment by affirming his support to the Budget Address, and that's what he's speaking to.

MR. DEPUTY SPEAKER: The Member for Burrows.

MR. C. SANTOS: To clarify, Mr. Speaker. I speak against the amendment, and I speak in support of the main motion.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. D. MALINOWSKI: No shadow in your mind, eh?

MR. C. SANTOS: In doing so, I intend to reply to some of the arguments raised by the members of Her Majesty's Loyal Opposition Party on their dislike of the Limestone Project, of their disdain of deficit spending and their distrust of government advertising, and after I rebut their arguments, successfully or not, I intend to specify my reasons in supporting the Budget message and in opposing the amendment.

The Member for Turtle Mountain speaks of putting sound fiscal management ahead and people last. To me, this is a dangerous statement, because it will mean that we are putting priority over techniques, and there will be a triumph of techniques, of fiscal management over human purpose. Fiscal management first, people last is an irresponsible statement.

Why do they dislike this Limestone Project so vehemently? The reason is simple, Mr. Speaker. They know and fully well understand that on the success of the Limestone Project Development, the success of this one is crucial to the outcome of the forthcoming election. They know that very well, and therefore they oppose vehemently and passionately any kind of expression of satisfaction and appreciation of people for the success of the Hydro Limestone Generating Project.

My reply is this: is it honourable for the members of the opposition party to castigate at every opportunity the superb success of this New Democratic Party Government in securing an electric energy sales contract with the Northern State Power Corporation?

Is it rational behaviour on the part of the members of Her Majesty's Loyal Opposition to tear down and to detract from the importance of the approval of the National Energy Board of the Export Licence Application by the Manitoba Hydro Crown Corporation? Is it responsible behaviour on the part of Her Majesty's Loyal Opposition to try put down the Hydro Limestone Electric Construction Project that will provide much needed job opportunities for many of our people who are presently unemployed? Mr. Speaker, for the audacity of the members of Her Majesty's Loyal Opposition to hinder and denigrate the general public acceptance of such an economic breakthrough towards industrialization of Manitoba's provincial economy at the dawn of the 21st century is for the opposition members to place themselves into being an enemy of the people's hope and aspiration for a better economic future.

The second argument of Her Majesty's Loyal Opposition is that it would cost too much to advance the Limestone Construction Project by two years, because such a move on the part of the present government would push the deficit spending upwards to huge amounts of public borrowings. The reply, Mr. Speaker, is to assert that a debt incurred for a justifiable purpose is the necessary and unavoidable price of public investment in order to create a valuable capital asset for the province. The borrowed money that the

province shall use to pay the ten turbines and electric generators that will be supplied by the General Electric Company will transform the intangible debt obligation into a tangible, solid and concrete hydro-electric establishment that will convert the waterflow into electrical energy, which is renewable, saleable, and an income-producing commodity. It is a blessing in disguise. It is good fiscal management to borrow money to invest in order to create capital assets. It is a blessing in disguise to borrow money in order that the hydro-electric plant at Limestone will be put into shape so that we will have an almost perpetual supply of electric power so long as the snow flakes are falling and so long as the rivers are flowing, proceeds and profits from the sale of electric currents will be forthcoming.

Mr. Speaker, a good government which borrows money and invests such money in income-producing capital assets is like a wise farmer who borrows money to buy seeds to sow in his farm. It is written: "He who soweth sparingly shall also reap sparingly; but he who soweth bountifully shall also reap bountifully." A tight fistful fiscal conscious government that invests very little will also reap very little. But a good, generous and well-intentioned government, like the NDP Government, which invests money bountifully, shall also reap profits bountifully.

The third argument of Her Majesty's Loyal Opposition is the claim that the present government is spending too much money in advertising, in advertising the Jobs Fund, in advertising the Limestone Hydro-Electric Development Project, in advertising other publicly funded job creation programs. The reply to the opposition's criticism of what they perceive to be an excessive advertising expense is that such informational dissemination expense is a justifiable expense. It is a justifiable expense because what is being advertised are not mere matters of memorandum of intentions, what are being advertised are real contracts, real products producing real incomes. To advertise truthfully, Mr. Speaker, is good public relations. It is good public relations for any organization, whether it be a private business corporation or a public Crown corporation. It is good, so long as what is being advertised is good and doing that which is good. Public relations is doing what is good and letting people know about the good that is being done.

The New Democratic Party is the only surviving compassionate government that is people oriented and future directed in the whole country of Canada, which is overwhelmed by Tory Government, who are so obsessed with callous budget cuts, service cuts and have a morbid fear of debts. Through the dark Tory land, the New Democratic Party Government is like a beacon of shining light brightly shining through the dark clouds of Tory pessimism, of doom and gloom, so that the rest of Canada may see and appreciate and perhaps emulate a Pawley-Parasiuk policy of promoting economic recovery for the Twenty-First Century.

Mr. Speaker, having answered at least three major arguments of Her Majesty's Loyal Opposition, let me now focus on at least three basic reasons why I oppose the amendment and why I speak in support of the Budget message of the Honourable Minister of Finance. Mr. Speaker, I support the Budget for the following reasons: First, the Budget responds to people as people with basic needs and wants, to people who are

different, enigmatic people, people who are precious to the NDP Government; second, the Budget creates work and job opportunities for our people in this province and elsewhere; and third, the Budget looks towards reforming the Canadian income tax system perceived by many observers as unjust and unfair.

Mr. Speaker, people are enigmatic. They are magnificently mysterious beings, difficult to fully fathom. While human behaviour in general may have some general patterns, it is usually difficult to completely know what a particular person will say or do under a given set of circumstances. The reason lies in the fact that a human being has an indomitable human spirit with a will that can will the opposite of what others expect that the person will probably say or do.

Not only are people difficult to predict, people are also different from one another. They have different sets of beliefs. In the same way that no two snowflakes are the same, so no two people are identical. Even the so-called identical twins who have so many similarities are not necessarily of the same likes and dislikes. Every human being, Mr. Speaker, is uniquely different in integrity and in personal qualities.

Not only are people enigmatic, not only are they different, but people are precious. People are more precious than any material form of wealth that I know of. People are more important than money that some people value so high in their scale of priorities. People are more important than deficits. People are more important than public debts. People are more important than paved cement highways. People are more important than anything of material value in this materialistic world.

It is this basic adherence of the New Democratic Party to the basic principle of the supreme importance of the human personality that this New Democratic Party has rightfully achieved; a well-earned reputation of being a caring and compassionate government that deserves a second chance to serve the people of Manitoba by being re-elected to political power.

Mr. Speaker, I support this Budget and I oppose the amendment, because this Budget creates job opportunities and work for the unemployed, for people who cannot find work and for people who are out of work. Working on a job, Mr. Speaker, is not only a means of earning one's livelihood, working on a job is a method of preserving one's self-respect. Working at a job is a means of restoring shattered self-esteem of individuals. Working on a job is a mode of discovering what was once lost, but now a newly-recovered, self-confidence of people.

At this juncture, I would like to ask some philosophical questions which I do not intend to answer. I would like to know why we have to work in order to live? Do we work in order to make a living, or do we live in order to work? Do we live in order to eat, or do we just eat in order to live? I don't know. I will not answer these questions.

All I can say, Mr. Speaker, is that since the fall of humankind in the Garden of Eden, it appears that due to this disobedience the ground of this planet Earth has been placed under the curse of the divine affecting all of us as human beings, our body that came from the earth, being that we have been doomed to work hard all our life to make the soil produce enough foodstuff for us to eat. So by the sweat of our brow,

we shall eat bread until our bodies shall have returned to the ground out of the soil from which it was taken, formed and created into human beings, for dust our bodies are, and unto dust are bodies shall return. But the indomitable human spirit shall stay.

It is the indomitable human spirit that gives significance to our existence, and it is work that gives meaningful existence to all our lives in this earth. To work at the job that we enjoy, the one that we like doing, we avoid the triple evils of boredom in life, the evils of vice and the evils of want. Work is a basic need for every human being in order that he may find living worthwhile, that he may gain self-esteem and, through his achievement and his accomplishment, he may find the true contentment which is the secret of human happiness.

Mr. Speaker, I support this Budget because it responds to people as people, not only because this Budget provides work and job opportunities but also this Budget looks towards a long-range possibility of reforming our present income tax system.

Taxes are the price that people pay for the privilege of membership in an organized and civilized society. Yet our taxation laws, especially our income tax laws, are so complex. Our tax law is like a jungle of legal rules through which angels even fear to tread. Moreover, some of our tax rules are so biased in favour of business corporations, which are merely artificial persons, and at the same time such tax rules are so inconsiderate of human taxpayers, individual taxpayers who are natural human beings. Let me be specific.

In the case of a business corporation, all expenses that are incurred by the entity for the purpose of earning or generating income from business will be a deductible item, for example, business rentals, the cost of utilities it consumed and other operating business expenses. These are all deductible under the rules including travel expenses, cost of corporate executives attending convention meetings that are lavish, intended for their pleasure but purportedly under serious business purposes.

Yet at the same time, the same tax rule will deny deductibility for personal expenses of individual human beings for food, for clothing, for shelter. Obviously food, clothing and shelter are necessary in order that a human being can generate his personal income. Yet our tax laws will not allow a natural person to deduct such expenses which, if incurred by an artificial person like a corporation, would be tax deductible.

Income tax rules, therefore, favour artificial corporate persons and abhors natural human persons in the matter of procedures relating to the computation of income tax. Moreover, through the instrumentality of the corporate form or organization, many wealthy individuals with large amounts of income are able entirely to avoid paying income tax that, in practical effect, the burden of our income tax system operates adversely only against the lower- and the middle-income groups of people. But, Mr. Speaker, the needy shall not always be forgotten. The expectation of the poor shall not perish forever. The hope of the jobless shall not be shattered forever. There is an NDP Government that cares. There is an NDP Government that through trial and error, through self-criticism and self-introspection, have been discovering the true path to social justice. There is an NDP Government that is

seeking economic development. There is an NDP Government seeking economic development, hand-in-hand and along with social development, promoting equal opportunities for the well-being of all Manitobans and furthering our prosperity in order to reduce disparity in economic opportunities and providing essential public services of reasonable quality and reasonable quantity to all of the people as human beings equal in dignity and equal in opportunity.

MR. DEPUTY SPEAKER: The Member for Roblin-Russell.

MR. W. MCKENZIE: Thank you, Mr. Deputy Speaker.

Mr. Deputy Speaker, just listening to the Honourable Member for Burrows, I wonder if he ever goes back and reads the first speech that he made in this House. I think he was the mover or the seconder of the Throne Speech in those days. Then after sitting here for the time that he has sat with this government, I wonder if he goes back and recollects at how closely this caucus has followed the guidelines that he so skillfully laid out in those days. I'm sure that speech must haunt him, Mr. Speaker, everytime that he reads it, like it does a lot of other members.

Mr. Speaker, I speak today on the motion that is before us on the Order Paper as proposed by my Leader and the motion as it reads:

"On the proposed motion of Hon. Mr. Schroeder, "THAT this House approves in general the budgetary policy of the government.

"And the proposed motion by Mr. Filmon an amendment thereto:

"THAT all the words following the word 'House' be deleted and the following added:

First of all, "Regrets that the budgetary policy of the government:

1. "Fails to offer a framework for economic renewal that will provide jobs for the record numbers of unemployed people in our province;
2. "Has resulted in deterioration of social services and basic infrastructure;
3. "Has imposed increased taxation;
4. "Has failed to control the rapidly expanding provincial debt which places a burdensome cost on tomorrow's taxpayers — the young people of today;
5. "And continues their sad record of incompetent management of Manitoba's public affairs."

Mr. Speaker, there are so many things I would like to put into the record that I doubt very much if I'll even get past the first item on the amendment that has been proposed by my Leader.

Mr. Speaker, I was calculating in my office this morning what it's going to cost the people of this province to try and re-elect this government. There's what, 32 of them - it's 100 million each that it's going to cost the taxpayers of this province to put that government back in place, 100 million for each and every one of them. God forbid, God forbid, the re-election of that gang at that price, 100 million each. Mr. Speaker, that would be a tragedy and I'm satisfied that the people of the province are not going to pay that

kind of money - 100 million each to put this government back in office to operate the affairs of our province.

Mr. Speaker, to go through this Budget, which I daresay, is the worst Budget I've seen in the years that I've been here. Can you imagine, Mr. Deputy Speaker, the people of the province facing one more Budget like this, let alone four more or five more, if they happen to form the government of this province. That would be a disaster, the largest that this province has ever seen. Just imagine, we've had four years of deficit financing from this government since they took office to the tune of 1.8 billion. Can you imagine putting them back in office again and add another 1.8 or \$2.5 or \$3 billion whatever, deficit financing, bills unpaid, walking around and getting re-elected, people who don't understand what economic stability is all about and economic sanity is all about. Somebody has to pay these bills. Mr. Speaker, I'm sure the Honourable Member for Burrows that just spoke knows what I'm talking about because he's a professor and talks economics, one and one doesn't make five, and he knows that. It doesn't make five anywhere.

The other thing, of course, Mr. Speaker, when you go through this Budget and analyze this Budget very carefully, you have to go back to this message that the Premier sent out in 1981. You have to go back and read that again with the Budget, before you can thoroughly understand what's going on in these little socialist-tinkering minds that we have over here. Mr. Speaker, here's what this man Howard Pawley said in 1981, and I'm going to put it in the record again and use it for my comparison in the Budget. He starts off, he says "Great people, great future. We can build a dynamic future in Manitoba." That was his first statement. His second statement, Mr. Speaker, "We can turn around the harsh economic circumstances of the past four years." That's what he said. He says "We can tap our sources of energy wisely."

Secondly, "With ManOil and Manitoba Hydro . . . "he said, ". . . we can develop programs to guarantee that no Manitobans lose their homes or their farms due to high interest."

He goes on and he says this great eulogist, who is now the Premier, he says, "We can insure that Manitoba's farms remain in the hands of Manitoba farmers through the development of an effective Farmlands Protection Act."

He goes on, "We can improve the quality of life in small towns and rural communities." He says, "Manitobans are great people. Together we can build a great future. That's a promise we can guarantee." Signed by Howard Pawley.

The first question that comes to me when you guarantee something, what does it mean? What does guarantee mean to members opposite and what does it mean to us? What is the penalty for a guarantee?

Well, Mr. Speaker, I happened to pick up a speech that the Honourable Member for Ste. Rose put on the record Tuesday, March 26th, page 425. He said, "We had to clean up a mess." That's the way he started. He said, Mr. Speaker, ". . . I don't blame the private sector. It's not their role to create jobs." That's what he said. That is the socialist-tinkering mind, that the private sector shall have nothing to do with the creation of jobs. He goes on and he says, "The job of a private entrepreneur is to make a profit." Nothing else. That's

his only responsibility is to make a profit. He goes on and he said, "That is the role of capital, to make a profit, not to create jobs."

That's the learned member, now the executive assistant to the Premier of this province, that's the man that's telling our Premier how to run the affairs of our province that made that statement, Mr. Speaker. Isn't that a strange mind? Wouldn't you class that as a socialist mind, or somebody that doesn't care?

I'll read more. He said, "So there is a role for the public to play, and particularly more so when you're going into a recession, and that's where the Conservatives of this province went wrong when they took office."

Now we see four years of the wisdom of the Honourable Member for Ste. Rose. There are others like him, his Premier, who have four deficits in a row which almost totals \$2 billion, they are running around with a tin cup which they said they wouldn't do. They are playing Mickey Mouse with multinational corporations which they said they wouldn't do. They said they wouldn't cut the health costs or the services to the public in this province which they wouldn't do.

Remember the Honourable Member for Ste. Rose standing over here and said the people in the Lyon days had no bacon in the hospitals, they had no sheets on their beds? That's what he said. Now he has been over there, he has been in the government, and now he, of course, has left the government and that's fair ball because of his retirement. But he said, Mr. Speaker, "We had to clean up a mess." And he said, "I don't blame the private sector. It's not their role to create jobs." What an insult to the private sector, the small businesses, the people that create money, the people that pay taxes in this province, and this honourable member who is the Premier's advisor today, the economic advisor, says that kind of a statement and then we face this kind of a Budget.

Mr. Speaker, it's a strange world. I got a letter today from the Premier's Office. It says there is going to be a big reception here on April 24th honouring volunteers in government public service.

I wonder, can I get permission from the Premier or from the Member for Ste. Rose to have one of them in my constituency because I've got lots of volunteers for public service in Roblin-Russell constituency? Can I ask the Member for Ste. Rose, who is in the Premier's Office, will the taxpayers pay for it, which the Premier is asking them to do? Well, if he can have it in this building - my constituency is 250 miles from here - will the Honourable Member for Ste. Rose take that to the Premier and see if I can have one, or the Member for Arthur constituency, or can all the MLAs have a reception in their constituency at taxpayers' expense?

This is the kind of new world that the Member for Ste. Rose is talking about, and his Premier: "The attendance of as many members as possible from each constituency would be appreciated." I'd put the same letter out in my constituency gladly but I certainly wouldn't ask the taxpayers to pay for it. I would pay for it myself. I don't believe that the Premier has the right to ask people to come in here at taxpayers' expense for political advantage. I honestly don't because I wouldn't do it in my constituency and I don't feel any other members should. If you want to have people in for political advantage, you had better pay

for some of it at least yourself. Why shouldn't he? We are getting well paid.

Mr. Speaker, this Filmon amendment that we are addressing ourselves to that the NDP has failed to offer a framework for economic renewal that will provide jobs for the record numbers of unemployed people in our province, well, let's deal with that first part very briefly.

Three years after this bunch of incompetents took office in this province and assumed the role of government, Manitoba had lost what? There were 15,000 people more unemployed than the day that they took office. That was three years after they had a chance to get themselves fitted into their desks, get acquainted with their staff and look after the affairs of our province. After the three years of this government guiding the destiny and the wisdom of this province, we find out there were 15,000 more unemployed than when they took office. Is that what the Premier said when he made this guarantee, this pledge, and swore allegiance to our people that he would not let that happen?

Two years after I went through some figures of Stats Canada the other day, Mr. Speaker, and it shows that citizens drawing unemployment insurance benefits in this province stood at 40,135 two years after this government took office, and those are the latest stats that are out. There may be some out later; this was about three weeks ago.

When the Pawley Government took office, Mr. Speaker, check the unemployment insurance rolls in this province to find how many were drawing unemployment insurance benefits. You'll find the number just slightly over 20,000. So in a matter of two years the unemployed in this province, the ones that are drawing unemployment insurance benefits under the guidance of this government had doubled, Mr. Speaker, doubled unemployment after two years only in office by this government. And they are seeking re-election?

Mr. Speaker, check the welfare benefits, check the welfare rolls if you want to see how competent and able this government was to deal with the affairs of our people and saying they didn't have problems. Mr. Speaker, the welfare benefits in those first two years went up 43 percent. The people couldn't find work; they had to go on the dole. In fact, it appears that some \$50 million extra in benefits had to be paid out for people that couldn't find work after this government was in office two years, Mr. Speaker.

Mr. Speaker, it's a strange set of circumstances. They don't go and tell the people this with their big glittery campaign today of high-priced propaganda and ads and the glowing terms of this incompetent government, Mr. Speaker. They promised jobs; Pawley promised jobs. He said great people, great future, we promise jobs. He doesn't say anything here about the welfare.

Mr. Speaker, during the Pawley Government's first couple of years in manufacturing - I went through some of those statistics this morning - the manufacturing industry - agriculture used to be the No. 1 industry in this province and manufacturing was second. I understand now manufacturing has moved up to the No. 1 industry and agriculture has slipped down to the second slot. But, Mr. Speaker, the Pawley Government lost 10,000 jobs in manufacturing between '81 and December '84. Ten thousand jobs gone down the drain in manufacturing.

Mr. Speaker, what does the Honourable Member for Ste. Rose say? The Honourable Member for Ste. Rose says, "Mr. Speaker, and I don't blame the private sector. It's not their role to create jobs." That's what the Member for Ste. Rose put in the records - the Premier's executive assistant, his economic advisor, Page 425 - "The job of a private entrepreneur is to make a profit."

Mr. Speaker, if you read the Premier's guarantee in those days, he promised, the First Minister, no business, no home, no farm would be lost due to higher interest rates. Farm bankruptcies, Mr. Speaker, that is interesting. In 1980 it shows there were 14; in 1981 there were 14; in 1982 there were 30; 1983 there were 62; 1984 another 62 - farm bankruptcies year after year after year and escalating. I wonder how many there are going to be this year and I wonder how many didn't even report their bankruptcy. Mr. Speaker, there is, I dare say, some 154 or 155 - or somewhere in that neighbourhood - farms that have gone bankrupt since this government took office.

Business bankruptcies, Mr. Speaker, almost 1,000 businesses have gone bankrupt in this province, I think the last figure that I saw last week since the Pawley Government assumed office in this province, some 966 bankruptcies are in the record. Mr. Speaker, the list is a long one and I am sure most of it is already in the records of Hansard and I am not going to labour the House with the names, but there are a couple in the last little while. The closing of the killing plant of the Pool in St. Boniface is one that concerns my constituents a great deal in the last few days. The closing of Co-op Implements, another one that concerns my people greatly, because I have a lot of very strong co-operatives in my constituency which I fully support, and they are very unhappy because of the fact that this plant which they put their money in and their time and their talents, has had to face the trials and tribulations of this day and some of the taxes that this government has levied and the payroll tax sure didn't help the demise of that industry. I certainly hope, Mr. Speaker, the talks that are going on between labour and Vicon Incorporated in the apparent deadlock for the settlement of Co-op Implements can be resolved at an early date and that the firm will be able to stay in this province. Mr. Speaker, I am scared that we are going to lose that industry in this province.

I don't know what this Minister has done, or this government has done, other than say they won't change the labour legislation which apparently is one of the problems that Vicon is facing. I asked the other day what kind of money the Minister is offering to them and he didn't give me any indication whatsoever, because the co-operative movement has a very very strong base in this province, Mr. Speaker, and if we lose that to one of our sister provinces to the west of us, it will be a sad day for the co-op movement in this province.

Mr. Speaker, the business community in our province reading speeches such as the Honourable Member for Ste. Rose put in the record the other day, they just don't know how to deal with a New Democratic Government and especially this government because it's like the old shell game, one minute it's there and the other minute it's there. One minute they decide that they're going to move in a certain direction, and all of a sudden the government moves in more

regulations and more taxes, and the business community actually doesn't know how to play ball with this government. I don't know, but it's my understanding that discussions with the small business from the rural area when this Labour Relations Act was amended last year, Mr. Speaker, were not of the quality that they felt they should have been. But nevertheless, Mr. Speaker, it's part of the statutes of this province, and we shall proceed.

Mr. Speaker, I look at Roblin-Russell constituency as an example. What's happened in Roblin-Russell constituency since this government took office? The Premier and the Minister of Housing took a flip through Roblin-Russell, looking around just before the House opened and of course they got their pictures on the front page of all the local papers. But, Mr. Speaker, they got some understanding of what the problems are out there and why this government is so hated in that general area of our province, because they haven't done anything.

First of all, let's look how they handled the potash development. Remember what the Premier said he was going to do about potash and all these big statements that were made, and the potash was going to flow, and the people were going to go to work, Mr. Speaker. Now, what does he say here? "We must be cautiously optimistic." This is what the Premier said in Roblin. He said the studies have indicated the quality of ore present is superior, its proximity to land surface is very close and when the local people asked him why development isn't progressing more rapidly, he said, we've got to be cautiously optimistic. The ore is there, the people are there, the money is there to develop it, the quality is there, everything is there, Mr. Speaker, and he said, we have to be cautiously optimistic. So they did another study.

Now what kind of a study would you need when the product is there? The local people were expecting this government to live up to their commitments. They said they were going to develop the potash industry in this province. Mr. Speaker, they've failed. It's strange, Main Street Manitoba, Mr. Speaker. I wonder what happened in my constituency to Main Street Manitoba. It wouldn't have been political, would it? - that we were not able to qualify for - Russell maybe, but Roblin certainly didn't qualify - they still haven't qualified to this day. I don't know where the problems were, but they certainly didn't qualify. The Honourable Member for Ste. Rose was the Minister. He was asked the question in Roblin and he said, Roblin was not able to qualify under the province's Main Street, perhaps it was too stringent. That was the reason that we were given.

Mr. Speaker, Lake of the Prairies, the third best pickerel fishing grounds in Canada, Lake of the Prairies — (Interjection) — It's a hive of bureaucratic nightmare. Let me put into the record what the local people say about the way they've handled and managed affairs of the Lake of the Prairies development, Mr. Speaker.

It says here: "Campground facilities along the lake drew fire. Washrooms, boat docking and sites in general must be improved and expanded. Government has done nothing but tie it all up into one bureaucratic mess." That's what the Premier and the Honourable Minister of Housing was told when they arrived in Roblin to deal with some of the local problems of the area. When you're looking for development, you're looking for

revenue, that is an extremely important link to the development of this province, Lake of the Prairies. They come there across from the border of Saskatchewan by the hundreds, they come into that area.

Mr. Speaker, there was nobody there to collect money at the gate. Certainly the cleaning people were there and the park wardens and that, but the facilities are not there to handle those kinds of things. They've tried now to find a possibility of bringing in private capital to develop the area, Mr. Speaker, and they were left high and dry. Nothing has happened as I understand it, Mr. Speaker. And it goes on and on.

The tourist camp at East Bull Lake. I got a letter today from the Minister of Energy. One of the nicest lakes that we have in this province, the Blue Lakes, Duck Mountain Provincial Park, and I'm sure most members that are sitting in the Chamber here have been there. I've been trying for all the years this government has been in office to get the Hydro in there, because then it would expand the lake and expand the use of the facility, people would be more happier. But Mr. Collier, I got the letter again today and he says: "No, it's not economically feasible to undertake this project without a sizable capital contribution in aid of construction."

I'll just ask the Honourable Member for Housing, what kind of local capital did the people of Hecla Island put up when you put the Hydro in there? What kind of capital did they put up? Mr. Speaker, they didn't put any up. Why can't we have the same treatment and the same understanding from the government on the lakes in our province?

He goes on and he says here, Mr. Speaker: "It's Manitoba Hydro's longstanding policy to assess capital costs of construction over the extension allowance to users, to ensure that these costs are not borne by all their customers." They're certainly not talking to the users of Hydro on the Limestone Project, Mr. Speaker, as to what it's going to cost them. It's never been discussed, but they're sure prepared to discuss it with regard to putting the Hydro into Blue Lakes. Hydro would be a tremendous boon to that area for people who like to go there, have facilities there, the cottages are there, rather than run that diesel generator 24 hours a day to provide them with energy, Mr. Speaker.

Mr. Speaker, the list goes on and on and on. The Rural Municipality of Shellmouth, and I've raised this in the House before, had lost the tax base in the development of Assensippi Provincial Park which the Schreyer Government and other governments since have promised them that they would help them to try and recover. They have never had a chance to recover one cent because the governments have left the R.M. of Shellmouth holding the bag.

A MEMBER: So what did you do?

MR. W. MCKENZIE: Well, I certainly got it under discussion. No, the department is fully familiar with the pleas of the people. And the tragedy was, Mr. Speaker — (Interjection) — those arrangements were made when Schreyer was the Premier of this province. — (Interjection) — Certainly, after a lot of prodding and nudging, Schreyer put — (Interjection) — well, that's what I'm asking this government to do. You've got

unemployment coming out of your ears; you want to have development in this province; and you want to make the province a better place than it was when you took office. You haven't done anything, Mr. Speaker. And he's telling me, what can I do? I don't have the purse, Mr. Speaker. They are the members who have it and it goes on and on.

Mr. Speaker, let's look at what the payroll tax has done to this province, some of the taxes that this government has levied: the sales tax, the workers' compensation tax, the labour legislation. Mr. Speaker, it's extremely difficult for small business today in this province to carry on.

We were talking, the Honourable Member for Pembina, about road construction the other day and his comments that he put in the record of this province, where the Minister of Finance in his Budget has misled the people of this province by the statements that the people are not contributing to the revenue in gas taxes and other levies through licences and that to pay for the road system of this province. It turned out after the honourable member finished his debate, Mr. Speaker, that the people of this province are more than paying for the construction and paying for all the staff that's in the Highways Department.

Mr. Speaker, they are not building any roads out in rural Manitoba at all. I don't think there has been a road built in my constituency in the last three years. The bridge across the river at Grandview was constructed, and we're still waiting for the Minister to put a name on that bridge. There have been several letters drafted. Now they want to call it the Hume Bridge, Mr. Speaker, but for some strange reason, the Minister doesn't want to accept the wishes of the local people. Why would the Minister of Highways want to get in conflict with the local people over the naming of a bridge? It's ridiculous. It has been delayed two or three years now, Mr. Speaker, the naming of the bridge.

Mr. Speaker, the road from the Lake of the Prairies across into Saskatchewan - now Saskatchewan, they've got a Conservative Government have finally paved the road up to the Manitoba border. The NDP never did it. This was Devine's Government that finally paved the road to the Manitoba border. Mr. Speaker, what's the problem - we have two-and-a-half miles of gravel road - to hook it up to Assensippi Provincial Park? It stands there, gravel of the worst kind. The road's in bad bad repair. Why wouldn't it be? Find some place in the Estimates of the department. But we won't get that built this year.

Mr. Speaker, Road 254, we can deal with all these various road problems when we get into the Estimates of the Honourable Minister, the highway, the road system in my constituency has been badly badly neglected by this government. I don't see how the honourable member - the Roblin Truck Service could possibly feel happy receiving this award from the Premier the other night, and knowing how this gang have wrecked the highway system in this province.

That's the only way we can move goods and services in rural Manitoba today, Mr. Speaker. There is no other way. In a lot of cases, the rail service is not there. We're going to have to depend wholly on the trucking industry. You know where the trucking industry and transportation sits with the priorities of this government, Mr. Speaker? They're down about - what? - ninth, tenth. They're

certainly way down on the list, Mr. Speaker, and I don't think that is fair.

Mr. Speaker, the other point that my leader put in the record regarding the performance of this government and why we couldn't support this Budget - I'll find my copy of it here - ". . . has resulted in the deterioration of social services and basic infrastructure, Mr. Speaker." This is one that I think we are going to have to devote a lot of time during the upcoming weeks of the Estimates.

Mr. Speaker, the honourable member, the Minister of Stats Canada or Economic Security has very skillfully and very slickly cut the CRISP Program in my constituency and I guess most of the rural constituencies across this province. Mr. Speaker, they changed the rules for eligibility and, for the first time, all the families whose assets are in excess of \$50,000 are classified as not eligible to make application under the CRISP program. I would ask the Member for Ste. Rose and others that live in rural ridings - you only need about a tractor and a combine on a farm today when you have assets of \$50,000 - what about the family that is trying to make a living, or the family that was at Gilbert Plains the other day, Mr. Speaker, where the husband's in a wheelchair, but because of the assets of the farm they don't qualify under the CRISP program?

So these changes, as I understand it, have borne a severe hardship on the rural families across this province. Some of the figures show that as many as a thousand families, most of them from rural Manitoba, have been removed from the program as a result of the social program policies of this government.

Mr. Speaker, I will not delay the debate any longer. I will be supporting the motion as presented by my leader, and I'll have a difficult time, if I can, to support the government when this Budget comes before the House for a vote.

MR. SPEAKER, Hon. J. Walding: The Honourable Member for Thompson.

MR. S. ASHTON: Thank you, Mr. Speaker. I am very pleased to be able to speak on the Budget today. Since I last spoke during the debate on the Throne Speech, I must say I've been very interested in the tone of the debate, the tone of question periods that we have seen from both the opposition and the government side. In fact I must say, Sir, that I find it somewhat amazing sometimes.

I sit here and I look at a situation where this government has been in office now - we've been in over three years, heading to our fourth year - where we find that the opposition has had three years to develop a consistent attack against this government. We find that day after day it's the government which is taking the offensive on issues, and it is the opposition which is being defensive. In fact, you know, if you look at some of the substance that we're seeing or so-called substance from members of the opposition, it really leads one to ask exactly what has been happening to those members opposite.

I today, Mr. Speaker, will be submitting that there is a reason why we're seeing that take place during the sitting of the Legislature. In particular, the main reason for that is that a number of key elements in the

opposition's political approach over the last three years are in danger, Mr. Speaker, in some cases of collapsing entirely and in other cases at least of showing the inconsistencies and confusions that exist amongst members opposite.

Now, I would take one example, Mr. Speaker, of the lack of a response from the opposition to something that has been put forward from this side. When I spoke to the Throne Speech, I talked about the Tory hidden agenda. I expected when I made that call that there would be a response. I expected at that time that the Tories would get up and say, no, that is not true. Here is what we are going to do. We do not have a hidden agenda; our only agenda is a public one. But we haven't seen that, Mr. Speaker, in this Assembly. In most cases, those members who did even respond to the suggestion there might be a hidden agenda did nothing to dispel that fear, but only indicated, at least to myself and I think any objective observer, that they do have a hidden agenda.

Now, take the example of the Member for Sturgeon Creek. He spoke shortly after myself. What was his response to the suggestion that they have a hidden agenda? His response, Mr. Speaker, was not to say that this is what they would do. They had a platform and a public agenda, but it was to say, well, you, being the NDP, should talk about hidden agendas, and then spent the remainder of his speech talking about what he felt was the NDP hidden agenda prior to 1981.

I wish I had time to go through each and every one of his points, Mr. Speaker. Unfortunately though I don't, but I will say this, if you look at each and every one of his points you will find that, firstly, none of them could have been predicted by anybody, whether it be members of the NDP or the Conservatives prior to that previous election. Most refer, for example, to the fiscal situation of the province and measures adopted by the government in response to that.

Now, I am an economist by background, Mr. Speaker. I have had some experience in econometrics and I can tell you that in 1981 no one could have predicted the fiscal situation of this province with any certainty in 1983, or 1984 and 1985, let alone even 1982.

But it's not so much the content of what the Member for Sturgeon Creek put forth that is important. It's the complete absence of a public agenda. He spent 40 minutes responding to the charge that there was a hidden agenda without saying what their agenda is, and that's just one example of the confusion and the defensiveness we are seeing from members opposite.

Let's take another example. When we were out of Session, Mr. Speaker, the Conservatives said that they wanted the Legislature called back at the earliest possible opportunity. Why? They wanted to ask us questions. And in particular they wanted to ask us questions about Hydro development. We came in, Mr. Speaker, and we had to wait nearly two weeks before we heard even one question on matters related to Hydro, from members opposite, and then it was from a government member. For eight months they said they wanted the Legislature to sit, to debate Hydro, and when they had that opportunity, Mr. Speaker, they said nothing.

There are other examples, Mr. Speaker, but I would like to get away from some of the things that we've seen in the Legislature, to some more general themes

of exactly the problems that we're seeing from members opposite.

I think that the most important thing we can do is start with what I see as the conception members opposite have about their role in opposition and our role as a government. I think it's clear that they feel that the main thing that happens in elections is that governments either get re-elected or they defeat themselves. Their essential strategy therefore is to oppose the government at every opportunity, and try and put the government in a position where, because of its perceived unpopularity, it will be defeated. I think that is their political strategy.

The difficulty with that, as they are finding, Mr. Speaker, is that if you oppose the government on everything, you oppose them not only on items where you may be able to obtain support as an opposition, but other areas where you as an opposition end up on the wrong side of an issue.

Let's take Hydro for an example. Let's look at some of the twisting and turning that we've seen from members opposite on the issue of Hydro and where it puts them today in regard to public opinion.

You know in the 1960s the Conservatives were the party of Hydro development. It's hard to believe as we listen to speech after speech from members opposite today that the Roblin Government and previous to that the Campbell administration, the Liberal administration, pioneered Hydro development in this province. That was continued and accelerated by the NDP in the 1970s, and then, of course, we get to the Lyon Conservative Government, that government which has the most influence on members opposite.

We all know what happened when they were in power, Mr. Speaker, in regard to Hydro, absolutely nothing. For four years absolutely nothing happened with Hydro development. But what was the response back then from those members opposite as a government? Their response to the fact that they did nothing was trying to give the appearance that they were going to do something. That's where the mega projects came in - the maybe mega projects as I would call them; that was where just prior to an election they attempted to make it appear that something was happening with regard to Hydro development.

When they first got into opposition, they attempted to criticize this government for not making things happen. They were saying that we would develop mega projects. They were criticizing us for not starting Limestone. I remember the former Leader of the Opposition actually asking us questions with regard to when we would start up Limestone. But somewhere along the line their overall political strategy of emphasizing the negative caught up with them. They ended up in a situation where this government put forward major initiatives in regard to Hydro development - the NSP sale and the startup of Limestone; and instead of going back to their original roots in the Sixties when they were a party of Hydro development, they adopted the strategy of opposing whatever this government would do. They opposed the NSP sale; they opposed the resumption of Hydro development at the Limestone Hydro Dam.

But look what's happening on those issues. What is happening is that we're moving ahead with that, and all across this province the people of Manitoba are

saying that that is exactly what we should do. Now, is that just New Democrats? Is this government hearing only New Democrats say that? No, Mr. Speaker.

I would just point, for example, to a recent editorial in *The Thompson Citizen*, not normally known as being very supportive of the NDP, which said quite clearly that Limestone is needed and it's needed now. I can point to any number of editorials in other papers, rural and urban; I could point to comments that have been made at public meetings by contractors, by union officials, by members of the general public, all saying that we want Limestone started and we want it started soon. So here we have that situation.

But now the Tories are going one step further. Under the direction, from what I can see, Mr. Speaker, of one, Fred Cleverley, they seem to be accepting his advice that they've lost the battle on Limestone, and that they now should oppose the concept of taking revenues from the NSP sale and other Hydro developments and using it for job creation. I would call it, Mr. Speaker, a Heritage Fund type of concept except that in this case it would be based not on oil as in Alberta, but on Hydro as in Manitoba.

Mr. Speaker, if you talk to anyone, if you conduct any opinion poll, you will find that the people of Manitoba support that. The people of Manitoba regardless of their political affiliation support the concept of using revenues from Hydro development for economic development. So there we have another example of where the knee-jerk reaction from members opposite of opposing what this government is doing, is putting them into a minority situation; putting on the wrong side of the issue when it comes to the general public.

Well, Mr. Speaker, I think if you look at other issues that they have raised in this Legislature, you will see the same thing. They talk tremendously about the Jobs Fund - they call it a "fraud" fund, Mr. Speaker - but we all know where they really stand on that issue. When it came to the vote on the Jobs Fund, they voted for it. When it comes to projects in their constituencies from the Jobs Fund, Mr. Speaker, when it comes to the opening ceremonies and the ribbon cuttings, they are there, like bees after honey, Mr. Speaker, because they know that what the Jobs Fund does is good for Manitoba.

We have been reminding people that they oppose, at least in words if not actions, and once again they are finding on this important of job creation, that they are on the wrong side of the issue.

There are other issues, Mr. Speaker, which are coming to light again; one which I think is resurfacing throughout this province is the issue of rent controls. We all know where the people of Manitoba stand on that issue, they indicated quite clearly in the last election; they favour rent controls. We also know where the Conservatives stand, Mr. Speaker; they are opposed to rent controls.

Let's take another issue, Mr. Speaker, that of federal-provincial relations. Since we've had a Conservative Government in Ottawa, we've heard nothing but apologies from members opposite about each and everything that that government does. At every opportunity, Mr. Speaker, if we dare to criticize what the Federal Government does, they stand up, as did the former Minister of Agriculture, the Member for Arthur, and say, oh no, no, Mr. Speaker, don't blame

the Federal Government; don't blame them for what's going on; don't blame them for reports that they're putting out; don't blame them at all.

When it comes to the question of equalization, when we stand up and say we're concerned about the cuts in equalization, what happens, Mr. Speaker? They try and apologize for the Federal Government. But today, Mr. Speaker, we say that the Federal Government has moved, it has acted to our concerns; we see that our approach has worked and their approach has failed.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please, order please. I am having some difficulty in hearing the Honourable Member for Thompson.

MR. S. ASHTON: But you know, Mr. Speaker, there's a political bottom line which I think is perhaps even more important than any of the single issues that I have mentioned. You know, the members opposite seem to feel from their experience in government that they, now that they're in opposition, should always push the negative side of any situation. I guess they probably feel that they lost the election because the NDP, when it was in opposition, was negative and that worked, and now the NDP is in government. Well it's not as simple as that, Mr. Speaker.

In 1980 and 1981 when the NDP was getting up and saying that Manitoba was not performing up to par, it was correct. We were ninth and tenth out of 10, according to any leading economic indicator. They are now getting up and trying to use the negative approach, except if you look at the record of this government over the last three years, the last four years, Mr. Speaker, you'll find that we have done very well comparatively. We actually lead this country in a number of leading indicators.

But that in itself would perhaps not be the most damaging comment on the opposition's approach. I think the basic thing, Mr. Speaker, the basic bottom line is that people are optimistic. That's the situation nationally; it's the situation provincially. People are optimistic about this province, Mr. Speaker, and they're also very favourable towards the government in general.

The political bottom line, Mr. Speaker, is basically this. Here's what I would say is the scenario at the present time. The government has a good approval rating. That is not a comment that I made myself from my own experience, although certainly I could. It comes from Decima, a polling organization which does polling for the Tories. Up until now, Mr. Speaker, the Conservatives had been able to get away with saying nothing, of having a clean slate. There have been a number of controversial issues and because they have been perceived as having a clean slate, because perhaps people don't know where they stand, they have been able to get some political support.

But that's beginning to change. On issues like economic development and the Jobs Fund, people know where we stand, and they are finding out where the Tories stand. On the issue of Hydro development, Mr. Speaker, people know where we stand and they know where the Tories stand. On issues such as rent controls, they know where we stand and they know where the Tories stand.

That is why, Mr. Speaker, I see the political sands beginning to shift for members of the opposition. That is why they cannot come up with an approach to counter the concerns that I have and others have about a hidden agenda. It is because, Mr. Speaker, they know that their agenda if it was made public would lose them support because as it is becoming public, as it is slipping out bit by bit, they are finding that their support is eroding. They are finding that people now don't remember where the Tories stand, and thanks to the Federal Government in Ottawa, the federal Tories, they are being reminded once again.

That is why, Mr. Speaker, they are so disorganized in their focus in this House, why they have been so disorganized for the last few weeks. That's the political bottom line. It's no more evident in their amendment to the Budget put forward by this government, because that is strictly negative, Mr. Speaker, it puts forward no proposals on their part. It is no more evident from the tone of the debate that we have seen from those members opposite in the Budget and in the Throne Speech, Mr. Speaker, because that approach is strictly negative.

They have shown, Mr. Speaker, repeatedly that the alternative they offer to this province is out of step with what Manitobans want, whether it be in regards to economic development or Hydro development. They have shown that, Mr. Speaker, continuously for the last several weeks. That is why this side is not disorganized, why this side has taken the offensive, why members on this side are optimistic because we know that over the next few months in this Legislature and later in our own constituencies, that momentum is going to continue to build based on items such as the Budget or our initiatives in terms of hydro development, and that those members opposite are going to continue to see the sands shift away from under them as people more and more turn to the approach that is being adopted by the members of this New Democratic Party and this New Democratic Government. We are on the move, Mr. Speaker, they are slipping.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Well just to satisfy the honourable member that just spoke, Mr. Speaker, the Northern Times of Thompson, March 27th, were very doubtful about the hydro development in Northern Manitoba by the present government. It says here: "Perhaps our North and many southern communities could be serviced in this way, freeing up existing power from the stations in place for sale to our neighbours. The smaller projects could be within the capabilities of provincial contractors, provide more employment over a longer period of time and free us from the massive interest costs involved in this \$3 billion make-work project that some say will cripple our future with a massive debt."

This is called, "A few questions from Chicken Little," because the Premier was up there saying that the people who were criticizing this program, he condemned them as Chicken Littles. Well at the end here, he says: "Maybe we are being Chicken Littles, but it's better than flipping over on our backs and rolling our eyes into ecstasy as the government rubs our bellies, whispering promises of fidelity and riches."

That's from the Northern Times in Thompson, Manitoba, Sir. That's from the paper that the honourable member is the member for, Thompson, and that's presented in Thompson. Well it's an editorial from the Northern Times. The member talks about things that we don't quote. That is in his own paper, and he ignores it.

Mr. Speaker, I would say that has usually been a supporter of the government until now. What really has happened, Mr. Speaker, is they have now seen through the shallow, idle promises of socialists. It's as simple as that.

Mr. Speaker, speaking on the Budget Debate, a little article that came to my attention just a few minutes ago. It says: "A purple heart for a stockman." It says: "When a friend of mine started his own company some years ago he hired an accountant to initiate him into the mysteries of business. The accountant rocked back in his chair, drawing on his accumulated years of learning and experience, and then with the mien of a Harvard Business School professor she said: 'First, you must keep a careful record of the cash you take in. Then you must keep a careful record of the cash you pay out. If you pay out more than you take in, you go bankrupt.'"

I wonder if the Member for Ste. Rose has read that. After listening to his speech the other day, I wonder if he has that basic fundamental of business. If you go bankrupt, then who has to pick up the pieces? In the case of government, it is the people who will pick up the pieces, Mr. Speaker.

We had a lot of talk in this House by the Premier the other day about doom and gloomers. Mr. Speaker, I put forward a little brochure that was presented in 1977, I believe, or 1976, presented by the ND Party which said: "Will the last Manitoban turn out the lights? Manitoba economy slumps." He lists Transair; he lists Bata Shoes. This is the one that I brought up in the House at the time. About four of the ones that are listed here were not in the category that said they were in. "Income falls behind inflation. Rural outlook looks bleak."

Mr. Speaker, the decorum of this House changed the day the Premier was elected Leader of the ND Party. Mr. Speaker, this particular Premier has, as I said, changed the decorum, and it has become something that I'm sure we are all very disgusted with. But when you have a leader that leads his troops into being people that are misleading any time they want, it makes us on this side a little bit annoyed, to say the least. But that's what the Leader of the ND Party has done since he was elected such and that's what he has done since he became Premier.

You know, in this bulletin that was put out by the ND Party March 12, 1981 - "Empty factories, empty storefronts and close-out sales are the signs of these Tory times." Close-out sales? We have had more people close since this government came to office than we ever had, more bankruptcies in farms and businesses than we've ever had. The province has put \$2 million into a five-year small business handout program. The business owners tell me that this program is next to useless. A few businesses get grants, most get nothing, and the Ontario Government has just gone into the same program. We put out about 350 types of loans of that nature and only about 25 were not successful in the rural area.

Do you know the Minister of Small Business and Development was telling me the other day that they are going to have to take a look at that type of a program again? Well, now, isn't that really the height of stupidity when somebody writes something like this and then changes their mind completely just the same as we've changed our minds on grants to businesses?

Mr. Speaker, there is one that I cannot talk about at the present time, but I assure you that particular situation is one that is going to be the most embarrassing thing to this government that you could ever believe. The Minister of Economic Development, the Member for Brandon, who stated at one time that we couldn't do these things because of our philosophy, and they were elected to change those type of things. They couldn't go on with those types of agreements because it was their philosophy. Well, Mr. Speaker, that's very evident.

Mr. Speaker, one time I said in this House that if I were the people of Brandon I would have taken the Member for Brandon East and I would have railroaded him out of town. Did you ever see what he put out about the constituency that he represents - an economic review of Brandon? He made Brandon look so bad that it wasn't even funny. He just absolutely tore the constituency that he represented apart.

"Doom and gloom," Mr. Speaker. Of course, I believe it has been mentioned that the decline of the Manitoba economy under the Conservative Government - "doom and gloom" by Len Evans, Mr. Speaker. You can go on and on, Mr. Speaker. I have always kept a file on this type of thing, but that's the way the socialist NDP Government operates.

You know, the honourable member talks about the last election. In my constituency I had a pamphlet put out by a gentleman by the name of Adams. In this pamphlet, regarding landlords, he said if the landlord wants to turn your apartment block into a condominium, you can be evicted in the middle of winter even if the children are in school. It's a downright lie. The act states, Manitoba law states that you have a right to stay in your apartment for a minimum of two years or a greater length of time if you have been a tenant for more than two years.

The gentleman who put that piece of literature out - he is now Assistant Deputy Minister in this government. We have a person who misleads, and during an election campaign puts a downright lie in his literature, Mr. Speaker. That's the type of thing that we have come from the ND Party during elections.

Mr. Speaker, the Member for River East, who is trying to have his name become known in his own constituency and apparently after three years of being an elected member is not capable of being as well known as many others, was critical the other day of our pamphlet. He had decided that he would take up the discussion on the part of the pamphlet that discussed the employment figures from December, 1983 to 1984.

Well, Mr. Speaker, I refer to the Manitoba Labour Market Information Bulletin, January, 1985, which is presented by this government, where it says, "Manitoba had the lowest rate of employment growth between December, 1983 and December, 1984."

Mr. Speaker, the gentleman is critical of what we have in our release, and we got it right out of the Manitoba Labour Market Information Bulletin. Now,

don't you find that's rather misleading when somebody gets up and is critical of what is put out by his own government? Mr. Speaker, let me give him a figure when he talked about taking the whole year - lowest levels of employment regarding Canada, this is very interesting. The member should probably look at these figures. In April we were third in 1984; in May we were third; in June we were fourth; in July we were fourth; in August we were fifth worst in Canada; September we were sixth; October and November we were sixth; January and February of this year we're eighth. Mr. Speaker, why wouldn't we bring up the fact that we have been on a downward slope in relation to our position in Canada?

Mr. Speaker, you know these members are doing something now. They now put in their bulletins that it has been declining and there has been declining employment in manufacturing and construction over the years. That's right in there. Mr. Speaker, he said Manitoba - now, this is really interesting - instead of saying we were third, this is the way they put it now: "Manitoba had the eighth fastest rate of employment growth between February, 1984 and February, 1985." Why don't you just say you are third last? You are third last because that's what you are in January and February, 1985. See they play around with words; they twist, confuse and create illusions, conclusions that have

SOME HONOURABLE MEMBERS: Oh, oh!

MR. F. JOHNSTON: Some member mentioned some industrial firm that's on the what? I didn't hear him. — (Interjection) — Well, go ahead.

Mr. Speaker, "Manitoba loses bid for \$90 million plant." What could be more revealing, as plain as the nose on your face, when somebody says that solid history of pro-business climate in terms of government and local traditions was the reference Mr. Henry of Pratt and Whitney made to Nova Scotia? Mr. Speaker, then it goes on to say - here's something else that we have - the Minister of Highways playing games. I would hope that he reads this and explains the game that he's playing. He says, "New Democrat Cabinet Ministers reached last night defended the province's business environment and were suspicious of the Federal Government's role in the deal." Oh, we've got an accusation about the Federal Government now, gentlemen.

Let's carry on. Highways Minister John Plohman said that he had questions about the influence federal Tories may have had on the decision. Now, we have another accusation, do we? This Minister who wants to have good relationships with the Federal Government throws that suspicion on the federal authorities, and then he says, "We knew there was lobbying from Nova Scotia," adding that he wasn't certain how effective Manitoba officials were in promoting this province's case.

Mr. Speaker, I would ask the honourable members opposite, was he being critical of the Minister of Industry and Technology's officials as to the way they handled it? I wonder. Was he being critical of them? He should get up and say. I'd like to hear from the Minister of Industry and Technology whether his officials did do a good job or they didn't. Or was he being critical of the

federal people? This is the type of thing we get from the honourable members.

Mr. Speaker, the government of this province has presented a Budget which increases the deficit to a point that we've never had before. It was rather surprising to me that we would have a Minister of Finance that would include in his Budget monies that he didn't have. Until today, I haven't heard the full announcement but, Mr. Speaker, I can't for the life of me understand how anybody when preparing a budget, a Minister of Finance, would come and say that I have in this Budget a sum of money that I don't know whether I'm going to have. Mr. Speaker, you know to have a group of people sitting around him that would accept a Budget from a Minister of Finance when he didn't have all the money to handle the expenditures, I don't really understand how a Minister of Finance can operate that way. So, you know, Mr. Speaker, they come along, they smile and they bow and they try to make themselves look as if they know what's going on financially, but I assure you, Sir, they haven't got a clue.

Mr. Speaker, the gentleman on the other side, the young fellow who still has a lot of growing up to do, he talks about hidden agendas. He said, what is ours? Ours in 1981, Mr. Speaker, was to complete a Hydro arrangement so we would have the Western Power Grid, so that we would have energy in Manitoba and Western Canada that would be second to none, oil, gas and Hydro, whatever type you wanted to develop industry within Western Canada. That was one of our hidden agendas, Sir.

We were going to have a situation where an aluminum plant would come to Manitoba and they would pay their share of the construction of the Hydro plant, the amount of money that they would use. For the amount of power that they would use, Sir, they would pay their share, and they wouldn't ask the government for ten cents to build the plant, wouldn't ask anybody for any money to do it. That was our hidden agenda so we could use the power that we created in Limestone to be used in Manitoba for permanent jobs, Mr. Speaker.

Well, Mr. Speaker, the other thing that we had was a Letter of Intent from International Minerals and Chemicals, which this government did not choose to renew, to move forward as fast as possible in the potash business. That was part of our hidden agenda to create jobs for the people of this province - permanent and long-term jobs within this province.

Mr. Speaker, the members opposite have been critical about the fact that we haven't had a lot of people debating Hydro. Well, Sir, we've made our position very clear and that is, should the plant be started as soon as this government is intending to. I refer to the article in the northern paper where they refer to it as a make-work project for the ND Party, but no answers have been given us. No answers have ever been given us.

Mr. Speaker, the government also pays no attention to the fact that the Province of Manitoba has all the exposure on the deal and never have we had it explained. Mr. Speaker, I refer to my colleague, the Member from Pembina's speech, on Thursday afternoon, and I would ask all members opposite to read it and I would ask them to contradict what he said with facts. He presented you with facts. He presented you with research, facts and questions that should be answered, Sir, and I say to the members on the opposite side to read that.

Mr. Speaker, there isn't one of them on the other side that have any idea of really what's going on. The Minister of Energy, Sir, was the downfall of the Schreyer Government. He was the head of planning and priorities in management, the top bureaucrat in the Schreyer Government, and was the downfall of the Schreyer Government and he's now on his way to doing it much faster at the present time, because he hasn't told anybody anything. He just stands up and waves his arms. He makes sure most of the time that he's in debate when nobody can answer back and that's the usual procedure with the Minister.

Mr. Speaker, I want to refer to this article again while the Minister of Industry and Technology is in his chair, because I mentioned the comments of Mr. Henry saying the environment in Nova Scotia was better, which makes it pretty obvious.

Now I'd like to, as I did before, just refer to the New Democrat Cabinet Ministers reached last night who defended the province's business environment and were suspicious of the federal government's role in the deal. Are you being critical of their role, Mr. Minister? Mr. Speaker, with all due respect, it says, New Democratic Cabinet Ministers reached. I didn't say the Minister said it. — (Interjection) — Now, now, let me finish. Mr. Speaker, the Minister wants to speak up but let me finish.

The Minister of Highways, John Plohman, said he questions the influence Federal Tories have had on any of the decisions. Is he criticizing them? Is your colleague criticizing the Federal Tories, or the Ministers that work with you? If the Minister of Industry and Technology knows differently, he should tell the Minister of Highways. He goes on to say, Sir, "We knew there was lobbying from Nova Scotia." He added that he wasn't certain how effective Manitoba officials were in promoting the province's case. Is the Minister of Highways criticizing your department, Mr. Minister, or is he criticizing the federal ministers that work with you? You should make that clear, Sir. That's the type of colleagues you have.

So now, Mr. Minister, we come to the situation where these people get up from the other side, you know, and I know the procedure. In fact, I watched it happen one time when we were government. In a boardroom opposite my office during a federal election, two members of the NDP brought a group of people in and they sat them down and they said, now look, when you're out there electioneering, if somebody says this, you say this. You see, it doesn't matter what the answer is, you say that, and this is what they will do. They sit in their offices - and this is the program of the NDP - and they say, now we're coming up with this program and this is what we are going to be saying. They sit around in a circle and they say, this is what we are going to be saying. Then they say, now what do you say to that? Somebody says something and now we've got to think up an answer for that. It's a think-tank session that goes round and round with the NDP people at all times on how they're going to counteract anybody that comes up with a logical argument.

The Honourable Member for Churchill is usually the leader of the session. That's fact, Mr. Speaker. He is the one who has had the training of the socialist course, sections one, two and three, but what he doesn't realize, they never open up or tell people much about Course

No. 3 because it proves a phoniness. So, Mr. Speaker, that's what they do when they get around in a circle.

They have a decided program of how they will answer questions. It doesn't matter what answer you give. Then they say, well how do we counteract that thing that was in the paper yesterday or came across John Harvard? They have a group of people who sit down and question one another very thoroughly on how they will give the answers, then they have to get a hold of their trained seal, the Premier, and try to teach him how to give the answers.

Mr. Speaker, the other night I was sitting at a banquet. When the First Minister finished his remarks the other day, I said across the House that the Academy Awards were last Monday. That wasn't original by me, Sir. I was sitting in a banquet on Wednesday night, the Awards Program of the Manitoba Chamber of Commerce. The First Minister was reading out the awards with emphasis on everything, and I heard a voice behind me say, I thought the Academy Awards were last Monday night. That is the impression of the phoniness of this government and its leader.

When he stands and grins at the cameras and gives his hands-in-his-pockets pose, looks up at the press with his insipid smile, he is giving off the type of phoniness that the people of Manitoba are seeing.

Mr. Speaker, this has to be said because the First Minister went out of his way to try and be critical of my leader. As a matter of fact, the members on the other side will know it, that when a person starts to be critical and going after the personalities and going after the party and going after the horrible opposition and how bad they are - hidden agendas is what he was reading out - Mr. Speaker, you're worried. That's the sign that you're on the slopes because that's what the First Minister has started to do, he talks about a hidden agenda again.

Mr. Speaker, there is no question about the fact that this government has been one that has riddled the Civil Service of this province with more political hacks and appointments that any other government has ever done in this province. It was rather amusing to me the other day when that Leader of the NDP in the Federal House - that Pomeranian that we see jumping up every once in awhile - accused the Federal Government of making political appointments. Mr. Speaker, the only NDP Government or socialist government right now in the North American continent is the leader of political appointments in Canada and in North America, so the type of hypocrisy that I refer to starts away at the top, and it just filters all the way down, Sir.

Mr. Speaker, I have referred to this letter before. The report that was given to the Minister, The Honourable Len Evans when he was Minister of Industry and Commerce, said: "The rate of growth in manufacturing employment over the past 15 months has been approximately 1.8. Increased employment in manufacturing during the period of 1970-1974 averaged 1,400 additional jobs per year. During 1975 there was no increase, and during 1976 there was a decrease of 1,300 jobs in the manufacturing sector."

A MEMBER: Who said that, Frank?

MR. F. JOHNSTON: This is a report that was commissioned by the Honourable Len Evans when he

was Minister here. "Had the 1974 trend continued the number of jobs in the manufacturing sector would have increased by 2,800 during 1975 and 1976. Instead because of no growth in 1975 and a decline of 1,300 jobs in 1976, the manufacturing sector theoretically has lost 4,100 jobs.

"A recent study which is presently in the hands of the Red Secretariat established that the jobs in manufacturing was worth \$27,000 per year to the provincial economy. Hence the decline in 4,100 jobs has cost the economy \$110 million per year, or 1.5 of the GPP.

"The rate of growth in manufacturing investment during the period of 1952-72 has been approximately 4.3 annually.

"The rate of capital investment fell 25 percent between 1975 and 1976, following a 27 percent decline between 1974 and 1975. The annual investment needs of 1976 amounted to \$180 million. The actual investment for 1976 amounted to \$61 million. Hence a shortfall of \$119 million existed in 1976. The prospect for 1977 is not any better than the past three years."

When the Member for Brandon East comes forward with his predictions about declines during our years in government I say to him, Mr. Speaker, we took over from the lousiest mess that I have ever seen in my life.

Mr. Speaker, in 1981 you had a GPP of 4.7, and this year it's going to be 1.6. Mr. Speaker, do you know that when we used to stand up in this House and the odd time when we were in government, the opposition would quote the Conference Board as their bible, Sir. It was the absolute authority of what was happening in this province. Now, Mr. Speaker — (Interjection) — I hear Royal Bank right about now.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please.

MR. F. JOHNSTON: Mr. Speaker, here's that hypocrisy again. When the Conference Board was in their favour, they loved them.

A MEMBER: They're wrong.

MR. F. JOHNSTON: Yes, they were wrong. They weren't wrong when the First Minister was standing here as Leader of the Opposition, quoting facts and figures from them daily. The facts and figures that are in this document are Conference Board. The facts and figures in this document are Conference Board and all of a sudden you don't like them, you see.

Mr. Speaker, you see, the Member for Thompson has the same problem as the Premier. He laughs and grins when he's in a corner. You see, Mr. Speaker, that's simply it.

Mr. Speaker, I would say that the Minister of Finance with his Budget, I believe that he had a windfall today. As I said, I haven't heard it all. But, you know, I heard on the radio today that the Premier had won his case. The Premier of this province really didn't win anything. It was my colleague who wrote the letter who actually suggested what you should do. But really the people who won their case were other provinces, Mr. Speaker, and they had to bring Manitoba along. We're quite

happy that the Federal Government has done what they've done, but this Premier can't take an awful lot of credit for it.

How can a Premier who holds a meeting of all of the NDP leaders in opposition across this country, right here in Winnipeg, where he goes on television, and they all talk about how they're going to defeat the colleagues of the Premier, the other Premiers that he works with? That's absolutely unheard of. How can you put out a letter to the service clubs in this province being critical of the Federal Government, saying how bad they were? He was critical of the Federal Government about transfer payments, and he didn't even know what it was going to be. He was like the Minister of Finance who brings in a Budget not knowing whether he has the money or not. — (Interjection) — Oh, Mr. Speaker, I just heard the Member for St. James talk about honourable members, and I can say to him that with my experience in the district that I live in now, and he doesn't, I will tell you he's finished. He has led the people of his constituency down the garden path twice, and they won't take it a third time - very simple as that. Well, Mr. Speaker, that is exactly what has happened.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please, order please.

MR. F. JOHNSTON: Mr. Speaker, we now have a situation where we've got people advertising, advertising in the millions of dollars when there are needy people in this province.

I know the Minister of Labour's constituency as well as he does, and he should be ashamed to look them in their faces whenever they read or he carries any advertising that this government puts out. Mr. Speaker, I assure you that is not going to bode very well for him during the next election.

Mr. Speaker, this government, we will never see another Budget. When you take a look at the Revenue Estimates, and you see that some of the Estimates that this Minister of Finance has for increases of income because of sales in this province, I say to you, I think he's cooked the books. Mr. Speaker, I say to you that we will not see another Budget before an election, because I don't think he'll be in the position to even come near explaining what he has presented to the members of this House and to the people of this province.

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

The time being 5:30, I'm leaving the Chair to return at 8:00 p.m. this evening when the debate will be open.

(TRANSLATION OF HON. G. LECUYER'S REMARKS AS THEY APPEARED IN VOL. 15A, THURSDAY, 28 MARCH, 1985.)

HON. G. LECUYER: Thank you very much, Mr. Speaker.

I am pleased to be able to participate in the Budget Debate. Mr. Speaker, I would like to join my colleagues in extending best wishes to you, and to wish you good health in particular. I would also like to welcome and

congratulate the new Member for Fort Garry, and wish him a long career with the opposition.

I would also like to welcome the new Deputy Clerk of the Assembly. I wish her much success, and hope that she possesses the innate ability to overcome the frustrating moments which she will no doubt experience during the debates in this House.

I would also like to take this opportunity, Mr. Speaker, to publicly express my pleasure over the appointment to the Cabinet of the Member for The Pas. He is a sincere and dedicated individual. I am certain that he will continue to serve the citizens of The Pas. In addition, the citizens of Northern Manitoba will continue to benefit from the services of this government, since the Member for The Pas understands the North well, and has been interested in this area of the province for a long time.

Lastly, Mr. Speaker, I would like to say with all sincerity to our colleague, the Member for Kildonan, that we miss her very much. Mr. Speaker, I am convinced that I express the sincerest wishes of my colleagues in this Assembly in wishing her strength and courage during the very difficult time she now faces. I admire her very much, and would like to thank her for all the work she did for Manitobans in her duties as a Member of the Legislature and as Minister. I hope that she will regain her health soon and assume her duties once again, in order to resolve certain issues for which I know she had a deep concern.

Mr. Speaker, I would like to begin my remarks by congratulating the Minister of Finance on the excellent Budget he presented last week, after serious and extensive consultation with all sectors of Manitoba's population.

I am pleased to point out that my colleague has presented a Budget which is based on the following two priorities: firstly, the creation of new employment opportunities; and secondly, the maintenance of economic growth with emphasis on quality public services for all Manitobans.

Mr. Speaker, this is a Budget which I believe is reasonable and responsible, and which is aimed at achieving a happy medium. It is a Budget in which we recognize that the government can and must promote economic growth. In addition, Mr. Speaker, with this Budget our government has reiterated its belief in the equitable development of both the social and economic sectors. These two sectors are in fact interdependent. Indeed, the maintenance of social services is vital to our policy of economic recovery.

Mr. Speaker, Manitobans in general, even the members of the opposition, are beginning to understand that we are fortunate to be living in Manitoba. The reign of terror they imposed on us for four years is now over. We now have the second lowest rate of unemployment in the country. Our economic performance is the best in the Canadian West and prospects for the years to come are excellent, according to projections by Canadian economists. Mr. Speaker, Canadians know this, and Manitobans who left under the Tory Government are coming back home, because at last there are opportunities for them.

I hear one of my colleagues from the other side making reference to welfare services, and I must say, Mr. Speaker, that Manitobans were well acquainted with these services under the Tory Government, and if they were not, it is because they had to leave the province to look for work elsewhere.

Mr. Speaker, this Budget also encourages investment in the labour force, which is a productive labour force. This creates a climate which promotes growth and makes Manitoba a better place to live.

Mr. Speaker, this Budget does not increase sales, personal or corporation income taxes. However, in order to maintain essential services and promote economic recovery, and in consideration of the loss of revenue from equalization payments and income taxes, it was necessary to increase certain revenues.

This Budget proposes a slight increase in gasoline tax. As Minister responsible for the environment, I am happy that a surtax on the price of leaded fuel has been proposed, so as to virtually eliminate the price difference between this type of fuel and the lower pollutant fuel. — (Interjection) — I hear strange noises coming from the other side, Mr. Speaker, they are a bit distracting, but I will attempt to ignore them.

Taxes have also been increased by half-a-cent per cigarette. This may help some people break the habit, as I did last May 10th. Water power rental rates will also be going up for the first time since 1980. Lastly, the investment tax credit which was granted last year, and which is aimed at helping manufacturers, will be extended to 1986. This measure should assist the business sector.

As far as tax increases are concerned, they have been maintained at a minimum, in order to ensure that Manitoba remains competitive.

Mr. Speaker, we believe that it is essential to create programs intended to prepare and train Manitobans, in particular Northerners and Natives, in order to help them gain jobs created by the Limestone hydro-electric project.

The Budget also recognizes the important role of the agricultural sector in Manitoba's economy, and provides support programs to ensure that the family farm remains a viable enterprise, as well as to stabilize and increase production, thereby alleviating the devastating effects of the financial crisis.

Also, in accordance with the priorities which I have already mentioned, Mr. Speaker, considerable amounts have been added to the Health, Education and Community Services budgets, and more than \$100 million have been added to the Jobs Fund for new housing programs.

Mr. Speaker, it is only fair that Manitoba be given its share of federal contributions. In this regard, reductions in transfer payments should be a concern to all Manitobans. Added to this is the fact, Mr. Speaker, that there are still some flagrant inequities in our tax system, since a beneficial tax reform remains to be implemented by the federal government.

Mr. Speaker, I would like to concentrate my remarks on a subject addressed by a number of the members of the opposition, either during their remarks on the Speech from the Throne, or during the debate on the Budget Speech. I am of course referring, Mr. Speaker, to the Workman's Compensation Board, for which I am responsible. I would like to point out that the members of the opposition are mistaken. In particular, I would like to point out two fundamental errors which were just made by the Member for Swan River. He said, among other things, that the number of accidents has doubled since 1981, and he also said that assessment rates have doubled. I would like to quote a few figures, which the member could have seen had he taken the time to look at any annual report which list figures for the years since 1974. In 1974, there were 45,874 accidents, and this figure remained constant, give or take a few hundred, in subsequent years. He also said that the number of accidents in 1984 was double that in 1981, however, the actual figure for 1981 was 48,904. In fact, Mr. Speaker, this is the highest figure recorded in the history of the annual reports by the Workman's Compensation Board. I do not have the final figures for 1984, but in 1983 there were 44,133 accidents or approximately 4,700 fewer accidents than in 1981.