



Sixth Session - Thirty-Fifth Legislature

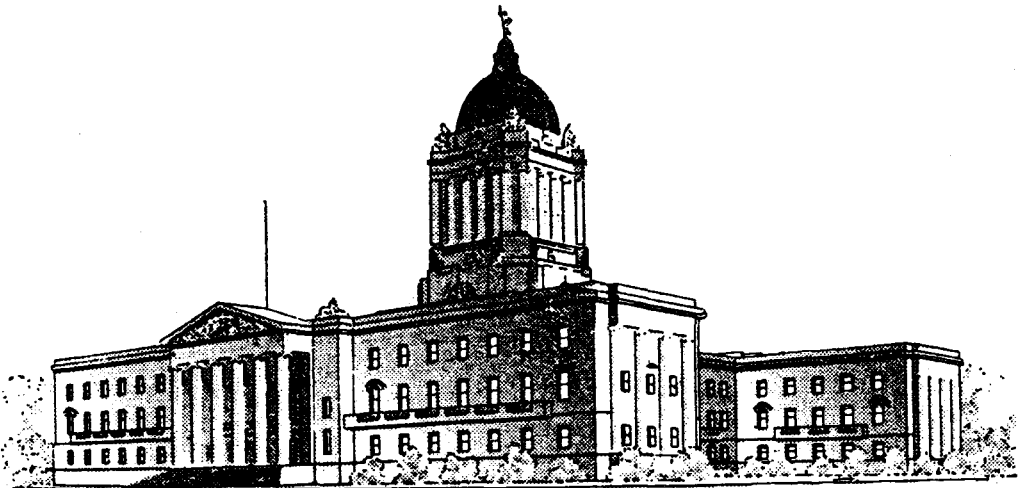
of the

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

**(Hansard)**

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Speaker*



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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Fifth Legislature**

**Members, Constituencies and Political Affiliation**

<u>Name</u>	<u>Constituency</u>	<u>Party</u>
ASHTON, Steve	Thompson	NDP
BARRETT, Becky	Wellington	NDP
CERILLI, Marianne	Radisson	NDP
CHOMIAK, Dave	Kildonan	NDP
CUMMINGS, Glen, Hon.	Ste. Rose	P.C.
DACQUAY, Louise	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
DEWAR, Gregory	Selkirk	NDP
DOER, Gary	Concordia	NDP
DOWNEY, James, Hon.	Arthur-Virden	P.C.
DRIEDGER, Albert, Hon.	Steinbach	P.C.
DUCHARME, Gerald, Hon.	Riel	P.C.
EDWARDS, Paul	St. James	Lib.
ENNS, Harry, Hon.	Lakeside	P.C.
ERNST, Jim, Hon.	Charleswood	P.C.
EVANS, Clif	Interlake	NDP
EVANS, Leonard S.	Brandon East	NDP
FILMON, Gary, Hon.	Tuxedo	P.C.
FINDLAY, Glen, Hon.	Springfield	P.C.
FRIESEN, Jean	Wolseley	NDP
GAUDRY, Neil	St. Boniface	Lib.
GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
GRAY, Avis	Crescentwood	Lib.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	NDP
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	NDP
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	NDP
MALOWAY, Jim	Elmwood	NDP
MANNES, Clayton, Hon.	Morris	P.C.
MARTINDALE, Doug	Burrows	NDP
McALPINE, Gerry	Sturgeon Creek	P.C.
McCORMICK, Norma	Osborne	Lib.
McCRAE, James, Hon.	Brandon West	P.C.
McINTOSH, Linda, Hon.	Assiniboia	P.C.
MITCHELSON, Bonnie, Hon.	River East	P.C.
ORCHARD, Donald, Hon.	Pembina	P.C.
PALLISTER, Brian	Portage la Prairie	P.C.
PENNER, Jack	Emerson	P.C.
PLOHMAN, John	Dauphin	NDP
PRAZNIK, Darren, Hon.	Lac du Bonnet	P.C.
REID, Daryl	Transcona	NDP
REIMER, Jack	Niakwa	P.C.
RENDER, Shirley	St. Vital	P.C.
ROBINSON, Eric	Rupertsland	NDP
ROCAN, Denis, Hon.	Gladstone	P.C.
ROSE, Bob	Turtle Mountain	P.C.
SANTOS, Conrad	Broadway	NDP
SHELLENBERG, Harry	Rossmere	NDP
STEFANSON, Eric, Hon.	Kirkfield Park	P.C.
SVEINSON, Ben	La Verendrye	P.C.
VODREY, Rosemary, Hon.	Fort Garry	P.C.
WOWCHUK, Rosann	Swan River	NDP
<i>Vacant</i>	River Heights	
<i>Vacant</i>	Flin Flon	

## LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, March 16, 1995

The House met at 1:30 p.m.

**PRAYERS**

**ROUTINE PROCEEDINGS**

**PRESENTING PETITIONS**

**Communities' Public Education**

**Mr. Steve Ashton (Thompson):** Mr. Speaker, I beg to present the petition of Eva McFarlane, George McFarlane, Sam Umpherville and others requesting the Minister of Education and Training (Mr. Manness) to reconsider the funding model to ensure that Thompson and other communities in this province are able to maintain quality public education.

**Physical Education in Schools**

**Mr. Clif Evans (Interlake):** Mr. Speaker, I beg to present the petition of Carla Cameron, Donna Marcyniuk, Roberta Stocki and others requesting the Minister of Education (Mr. Manness) to consider maintaining physical education as part of the core curriculum from kindergarten to senior high.

**READING AND RECEIVING PETITIONS**

**Physical Education in Schools**

**Mr. Speaker:** I have reviewed the petition of the honourable member (Mr. Maloway). It complies with the privileges and the practices of this House and it complies with the rules. Is it the will of the House to have the petition read?

**An Honourable Member:** No.

**Mr. Speaker:** Dispense.

*The petition of the undersigned citizens of the province of Manitoba humbly sheweth that:*

*WHEREAS the proposed changes to the Manitoba curriculum would have no physical education required for students after Grade 8; and*

*WHEREAS the social, intellectual, emotional and physical benefits of physical education have been proven through extensive research; and,*

*WHEREAS requiring physical education for high school sends a message that physical activity is important for life and encourages high school students to make life choices to stay active and it fits into a preventative health strategy; and,*

*WHEREAS many parents, students, medical professionals and educators, health and recreation specialists are urging that physical education be increased in schools.*

*WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba may be pleased to request the Minister of Education to consider maintaining physical education as part of the core curriculum from kindergarten to senior high.*

**Mr. Speaker:** I have reviewed the petition of the honourable member (Mr. Lathlin). It complies with the privileges and the practices of this House and it complies with the rules. Is it the will of the House to have the petition read?

**An Honourable Member:** No.

**Mr. Speaker:** Dispense.

*WHEREAS the proposed changes to the Manitoba curriculum would have no physical education required for students after Grade 8; and*

*WHEREAS the social, intellectual, emotional and physical benefits of physical education have*

*been proven through extensive research; and,*

*WHEREAS requiring physical education for high school sends a message that physical activity is important for life and encourages high school students to make life choices to stay active and it fits into a preventative health strategy; and,*

*WHEREAS many parents, students, medical professionals and educators, health and recreation specialists are urging that physical education be increased in schools.*

*WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba may be pleased to request the Minister of Education to consider maintaining physical education as part of the core curriculum from kindergarten to senior high.*

### **Public Housing Rent Hikes**

**Mr. Speaker:** Pursuant to the authorities and practices of the House, I must now report that I have examined the petition of the honourable member for Radisson (Ms. Cerilli) received on March 13, 1995, and find the petitioners have not complied with the said authorities and practices in the following respects: A petition cannot call directly on the government to take some specific action. Instead, in this case, it should call on the Legislative Assembly to request the government to consider taking the action mentioned. In addition, this petition is not addressed to the Legislature of the province of Manitoba as required by Appendix A to the rules of this House and Beauchesne's Citations 10.17 and 10.19.

The petition is therefore out of order.

### **Physical Education in Schools**

**Mr. Speaker:** I have reviewed the petition of the honourable member (Mr. Lamoureux). It complies with the privileges and the practices of this House and complies with rules. Is it the will

of the House to have the petition read?

**An Honourable Member:** No.

**Mr. Speaker:** Dispense.

*The petition of the undersigned residents of the province of Manitoba humbly sheweth:*

*THAT in July 1994, the Minister of Education introduced an action plan entitled Renewing Education: New Directions;*

*THAT this report will make physical education an optional course in Grades 9 to 12;*

*THAT the physical education curriculum should be regularly reviewed to ensure that it meets the needs of students;*

*THAT the government is failing to recognize the benefits of physical education such as improved physical fitness, more active lifestyles, health promotion, self-discipline, skill development, stress reduction, strengthened peer relationships, weight regulation, stronger bones, reduced risk of health diseases and improved self-confidence.*

*WHEREFORE your petitioners humbly pray that the Legislative Assembly urge the Minister responsible for Education to consider reinstating physical education as a compulsory core subject area.*

\* (1335)

### **Communities' Public Education**

**Mr. Speaker:** I have reviewed the petition of the honourable member (Mr. Ashton). It complies with the privileges and the practices of this House and complies with the rules. Is it the will of the House to have the petition read? Yes?

**An Honourable Member:** Read it.

**Mr. Speaker:** The Clerk will read.

**Mr. Clerk (William Remnant):** The petition of the undersigned citizens of the province of Manitoba humbly sheweth that:

WHEREAS funding for public schools by the provincial government has been cut twice in the past three years; and

WHEREAS provincial funding for the school district of Mystery Lake has dropped by nearly \$2 million over the same period, more than 10 percent; and

WHEREAS funding for private schools has increased by over 110 percent under the same provincial government; and

WHEREAS Thompson was faced with a 48 percent increase in the education support levy tax as a result of reassessment in 1993, resulting in \$500,000 leaving our community; and

WHEREAS the Thompson school district is now faced with a massive \$1.8-million deficit equivalent to a 48 percent increase in local school taxes; and

WHEREAS unless the minister reviews this funding the Thompson school district will be forced to consider both a \$500,000 tax increase and severe program cuts totalling over \$1.3 million.

WHEREFORE your petitioners humbly pray that the Legislative Assembly request the Minister of Education and Training (Mr. Manness) to reconsider the funding model to ensure that Thompson and other communities in this province are able to maintain quality public education.

#### **TABLING OF REPORTS**

**Hon. Harold Gilleshammer (Minister of Culture, Heritage and Citizenship):** Mr. Speaker, it is my pleasure to table the 1993-1994 Annual Report of the Manitoba Arts Council.

**Hon. Glen Cummings (Minister of Environment):** I would like to table the 1993-94 Annual Report of the Clean Environment Commission.

**Hon. Eric Stefanson (Minister of Finance):** Mr. Speaker, I am pleased to table the Quarterly Financial Report for the Nine Months, April to December, 1994.

#### **MINISTERIAL STATEMENTS**

##### **Department of Health Capital Program**

**Hon. James McCrae (Minister of Health):** Mr. Speaker, I have a statement to make to the House.

Mr. Speaker, I am pleased to table the 1995-1996 Capital Program for the Department of Health. This is my second capital program as Minister of Health, and I am pleased to announce that the themes of my leadership and that of our government have remained strong and healthy.

We continue to actualize the principles of Quality Health for Manitobans: The Action Plan and the principles of universality and accessibility of the Canada Health Act.

Funds have been allocated to the revitalization and refurbishment of rural health care systems guaranteeing rural Manitobans with sustainable and accessible services to the continued restructuring of urban, rural and northern facilities to address the changing methods of delivering care. This is to accommodate shifts to outpatient surgery, install state of the art equipment for patient care, diagnostics and treatment.

Personal care home beds continue to expand in number within a plan for equitable dispersion of resources throughout the province, and significant capital has been made available to modernize our older care facilities to modern concepts of care that are in keeping with the changing nature of the residents we serve.

This capital program reflects the priorities, concerns and needs expressed to me by thousands of Manitoba patients, professionals, health care students, board members, researchers and special interest groups across this province. As Minister of Health, I have been honoured in many meeting rooms, large boardrooms filled with professionals arguing their cases for resources, community halls filled with concerned and committed citizens seeking stability in their local health care system, banquets, small dinners, and, of course, the comfort of my own office in the Legislative Building.

I have engaged in discussion, debate and listened to a variety of competing wishes. In this forum and with the support of my colleagues in cabinet and most particularly my friend the Minister of Finance (Mr. Stefanson), I am proud to announce a robust and balanced capital program for 1995-96.

More specifically, Mr. Speaker, Schedule I, Projects in Construction total \$180,957,000. These projects provide for the construction of two rural hospitals, St. Pierre and Stonewall, three personal care, long-term care facilities in Winnipeg and five personal care home facilities in rural Manitoba. It also prepares the site for the expansion of the Manitoba Cancer Treatment and Research Foundation and numerous maintenance repairs and modernization projects.

Mr. Speaker, this capital program brings total construction of beds to well over 1,000 since the election of our government in 1988.

Schedule II, Projects Approved for Construction, totals \$191,884,000. These funds provide for a 25-bed acute psychiatry project at Brandon General Hospital, as well as a free-standing facility for child and adolescent services. In addition, Phase I of the Brandon General Hospital redevelopment provides for the replacement and expansion of the Westman Laboratory. The powerhouse and the maintenance shops will begin construction this fall. This schedule provides for the construction

of a Red Cross blood transfusion facility and prepares the site for the construction of the William Avenue project at the Health Sciences Centre.

\* (1340)

The William Avenue project will be the largest single project in the history of the department's capital program and will provide for the replacement of the adult and pediatric emergency, surgery and intensive care services of the Health Sciences Centre.

These funds also replace and maintain rural hospital projects in Thompson, Central, Interlake and Westman regions and continue with personal care home development in five of the eight health regions: Westman, Interlake, Central, Eastman and Winnipeg.

Schedule IV, Approved for Architectural Planning includes projects totalling \$306,474,000; the design of three rural hospitals, five urban personal care homes and five rural and northern personal care homes dispersed from Flin Flon and The Pas in the North to Notre Dame, Altona and Shoal Lake in the south.

This capital program provides funds to assist hospitals with their fiscal targets, providing funds to install efficient systems that support the provision of care or move care to less costly but effective delivery models. Every region of the province will benefit from this program, and every aspect of our delivery system from community health centres to the highest level of complex technologically sophisticated care is supported in this document.

Mr. Speaker, the 1995-96 capital program of the Department of Health is a testament to our commitment to the infrastructure of our society, to our strong economy, our ability to set appropriate priorities amongst articulate and competing interests and our commitment to provide service and resources to all Manitobans wherever they may live.

I am very proud to present this capital program to my colleagues in the House, a program that reflects our values, our commitment and our leadership in a complex environment. Thank you, Mr. Speaker.

**Mr. Dave Chomiak (Kildonan):** Mr. Speaker, I welcome the opportunity of replying to the minister's statement. I do not recall in the past that ministers have stood up and made statements regarding the capital programs but, then again, these are interesting times with respect to potential events that may occur in the next few days. So I can understand that.

While the government announces a massive capital program, they have done more in their seven years in office to destroy the human capital program in the health care sector than any other government, and I think that the government ought to have spent some time and spent some attention with respect to the human capital program, Mr. Speaker, as they have spent on this capital program.

Three years ago in this Chamber we raised questions about the deficiency of some of the operating rooms at Children's Hospital and the Health Sciences Centre, and there was nary a word from members opposite who in fact accused us of misleading this House or attempting to do that. Now we see that the project, the \$113-million capitalization of the William Avenue project, which has been before Treasury Board now for eight or nine months, has all of a sudden materialized days before a provincial election.

\* (1345)

The dilemma and the problem with this government is, quite frankly, they do not have a consistent plan or approach to health care. They have 102 committees studying health care and they leave that information secret. But now, days before a provincial election campaign, we have dropped on us a massive capital plan for the province of Manitoba, at the same time when

they have studies like Bell-Wade that says, well, we should maybe have adult psychiatry moved back to St. Boniface after we have decided in our previous plan to have adult psychiatry over at Health Sciences Centre, after we have closed beds and after we have built a \$45-million structure. There is only one word for it—inconsistent.

It is very difficult on short notice to deal with all of the projects in here, Mr. Speaker, but it is pretty clear to members on this side of the House that this government plan is an attempt to try to show the public of Manitoba that they are actually doing some building, quote, in the area of health care, and after seven years of tearing down the system and cutting and slashing, they are finally moving along to perhaps put something back in the system.

I warn members opposite, we have said consistently now for four to five years that it is too late in the process, that they should have looked at the people resources. They should have looked to improving the quality of care in the health care system a long time ago, and now close to the election campaign, we have thrust upon us—and just by way of example, Mr. Speaker, the members talk about the expansion of the Brandon Hospital to allow for the psychiatric centre. This is way behind schedule. Their plan is two years out of date, and now days, again, before the Premier (Mr. Filmon) takes his walk to see the Lieutenant-Governor, they say they are now going to be building something.

They say to the people of Manitoba, trust us, we are now going to build something. Trust us, we are now going to improve your capital facilities, at the same time when the largest capital project ever undertaken in this province in health, \$150 million for a computer system, is not even mentioned in here. It is not even touched upon in here, and they refuse to table the contract. They refuse to table their studies, and in a five-year plan, Mr. Speaker, I find it surprising that they refuse to table and provide

information on what will be the largest capital plan, \$150 million to the Royal Bank to build a computer system.

I think members opposite ought to provide all of the information, table the secret committee reports, table all of the reports that are there, table the Royal Bank contract, and then we can look at all of this and see if there is, in fact, some kind of semblance of a plan for order and direction in the health care system. Thank you, Mr. Speaker.

**Ms. Avis Gray (Crescentwood):** Mr. Speaker, I think I will limit my comments to the information that the minister has given us in this capital program and save my comments on the health care system in general for my speech this afternoon.

Let me start with some of the positive comments. Again, this is on very short notice so just briefly, given what we have heard the minister comment on this afternoon, we are certainly pleased that we are seeing more personal care home beds that are to be developed here in Manitoba. We have consistently called for that since 1988. It will be interesting to know where, in fact, those personal care home beds are placed.

I know that every community in Manitoba may want to see a personal care home in their community, but we hope the decisions made as to where the personal care home beds will be based on need in the community and not based on who the MLA is for that particular area. I hope we have moved away from that in politics.

As well, I am pleased to hear that the acute psychiatric beds at the Brandon Hospital are going forward. That is a very, very important component of the transition of the move from the Brandon Mental Health Centre to community services in Brandon. We are pleased to see that this is moving ahead. It is going to be an important component. Again, we support that

move from the institution of Brandon Mental Health Centre to the community and also to ensure there is more up-to-date acute care services which will be provided in Brandon, unlike the New Democrats who want to see that facility left open and, in fact, want to move back in terms of where we are going with mental health in this province.

What I have not had a chance to see in this schedule, and I would wonder and I would be interested in the minister's comments on this, I am a little skeptical about the area that talks about Schedule IV and the projects that are approved for architectural planning. I am skeptical of that because many of the projects that get approved under architectural planning oftentimes do not come to fruition as indicated in the timetable.

One example is, of course, the architectural plans which were approved to move ahead for better facilities of Cadham Lab to assist Dr. Markesteyn, to assist the medical examiner's office.

Those were scrapped in a former capital plan. I do not know if they are in this one or not. I would hope that they would be, because certainly I think the Department of Health, this minister and this government should be listening to their own staff in the Department of Health when they see a need for expansion of those services.

I would leave my comments at that. I do find it very interesting how quickly things can happen in terms of presentation of capital plans when we know an election is only a few days away, because it is usually very difficult to get these capital projects. We usually get it at the end of the Estimates.

So we are very pleased that this year we are able to get this capital program ahead of time. Thank you very much.

\* (1350)



## INTRODUCTION OF BILLS

### Bill 16—The Maintenance Enforcement (Various Acts Amendment) Act

**Hon. Rosemary Vodrey (Minister of Justice and Attorney General):** Mr. Speaker, I move, seconded by the Minister of Finance (Mr. Stefanson), that leave be given to introduce Bill 16, The Maintenance Enforcement (Various Acts Amendment) Act; Loi sur l'exécution des ordonnances alimentaires - modification de diverses lois, and that the same now be received and read a first time.

#### Motion presented.

**Mrs. Vodrey:** Mr. Speaker, it is my privilege to introduce for first reading our government's maintenance enforcement legislation, which is designed to enhance Manitoba's ability to collect maintenance payments. This government's approach reflects the fact that the end of a relationship does not release an individual from their obligation to support their family.

The proposed amendments before this Legislature will substantially strengthen enforcement efforts, will provide invaluable information on the location and the assets of delinquent payers and help us to get more money into the hands of children and families.

The proposed initiatives before this House to expand our enforcement powers are: suspending and refusing renewal of driver's licences and motor vehicle registrations; reporting delinquent payers to the Credit Bureau; attaching pension benefit credits; attaching jointly held monies; permitting garnishing orders for monies other than wages to remain in effect indefinitely; increasing the maximum jail term to 90 days from 30; and raising the maximum fine to \$1,000 from \$500.

Mr. Speaker, this government is taking significant steps to force those individuals who are defaulting on maintenance and support

payments to live up to their obligations. Thank you.

#### Motion agreed to.

### Introduction of Guests

**Mr. Speaker:** Prior to Oral Questions, may I direct the attention of honourable members to the gallery, where we have with us this afternoon from the Linwood School forty-five Grades 5 and 6 students under the direction of Mr. Ed Hume, Mr. Will Peters and Mrs. Bonnie Christianson. This school is located in the constituency of the honourable member for Sturgeon Creek (Mr. McAlpine).

On behalf of all honourable members, I would like to welcome you here this afternoon.

## ORAL QUESTION PERIOD

### Trade Deficit—U.S. Statistics

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, I have asked in previous years about the deficit-of-trade situation with the United States. In previous questions I have asked the government, they have indicated to me that they expected to see a much more positive situation in terms of our balance of trade or deficit of trade with the United States.

We were certainly hoping that with the lower dollar one of the benefits of that lower dollar would be, of course, on the one hand increased exports to the United States, which we have certainly seen, but a decrease in the imports to Canada in terms of our trade situation.

The federal government and the federal Canadian deficit of trade has produced an increase or an improved surplus of trade with the United States. In fact, the surplus of trade in 1994 has gone up by 18 percent.

I would like to ask the Premier of this province why our situation remains a deficit of

trade with the United States, and why that deficit of trade has decreased by some 12 percent to a record high of \$1.28 billion.

**Hon. Gary Filmon (Premier):** Mr. Speaker, I find it really interesting that the Leader of the Opposition always, in his doom-and-gloom scenario, looks for the darkest cloud that he can find to try and make a point.

The fact of the matter is that we have had the largest increase in exports to the United States of any province in Canada this past year—a 32-percent increase. In fact, we have narrowed the gap of the trade balance with the United States.

Our imports from the United States have not increased as rapidly as our exports to the United States, so we are in a far better position today than we were a year ago in both respects. We have narrowed the balance-of-trade gap, and at the same time we have increased exports substantially at the highest level of any province in Canada.

\* (1355)

**Mr. Doer:** Mr. Speaker, the lower dollar is producing some excellent exports to the United States from Manitoba. Hydroelectricity, with the Limestone agreement, has gone up again in producing something over \$280 million in trade. The machinery is improved, cereal goods, other oilseed products, other products, the forestry products. The lower dollar has helped us and has been good. It has been good for Canada that it has produced a surplus-of-trade improvement of about 18 percent.

Why, with the lower dollar, in the last four years but particularly between '93 and '94, has our balance of trade gone to a deficit of trade of \$1.14 billion in '93 to \$1.28 billion, a decrease of 12 percent, while Canada is improving? We all know that a deficit of trade with a jurisdiction gives us a deficit of jobs, and we all want jobs in this province.

**Mr. Filmon:** Mr. Speaker, what the member is not even aware of—he looks for blind figures that he can try and turn into something negative—there has been a substantial increase in the importation of production equipment here because our manufacturing sector is booming like it has never boomed before.

Our manufacturing sector: increases in production, increases in exports, investment growth has been amongst the best in Canada. That is resulting in production equipment being brought in here to create jobs and long-term opportunities.

I repeat for him, the situation is substantially better. The exports have increased more than the imports have on a year-over-year basis, and most of the import increase has been in that area of production equipment which is going to establish more manufacturing, more jobs in Manitoba.

**Mr. Doer:** Mr. Speaker, the Canadian trade situation with the United States is producing increased surpluses of trade. The Manitoba situation, with the same Canadian dollar, is producing higher deficits of trades in this province. I would think that the Premier would have some concern about this issue and what its impact is on jobs.

We have had improvement on international trade. The government cites exports always in their budget. They do not cite imports. On the international trade, the world trade, which includes the United States trade, we have seen an improvement, but we are still running today, in 1994, a \$540-million deficit of trade, whereas in 1988 when the government came to office there was a surplus of trade of some \$42 million.

I would like to ask the government: Why have we gone in the opposite direction on our international deficit of trade, why are we going in the opposite direction of Canada and what impact is it having on job opportunities for our province and for our future?

**Mr. Filmon:** Let us compare apples to apples. When that bunch across the way, the New Democrats, were in office in 1985—

**Mr. Doer:** I said '88.

**Mr. Filmon:** We will take it all the way through. Our figures are better than every year that you were in office. Let us take the figures in 1985 or 1986. Manitoba's exports to the United States represented half the level of imports. There were 53 percent one year, 52 percent the next year in '85 and '86 under that government. Today they are running at 72 percent. They are gaining substantially. Our exports continue to gain faster than our imports do, and we are in a better position vis-à-vis our balance of trade with the United States than we ever have been.

I would just ask the member opposite to try and look a little positively from time to time. Stop being the master of gloom and doom and once in a while look at all the good things that are happening in Manitoba.

\* (1400)

#### **Property Taxes Education Levy**

**Mr. Steve Ashton (Thompson):** Mr. Speaker, if we had a cynicism meter in this province, it would have reached an all-time high with the daily statements of this government, particularly in the area of education.

We have had cuts of 4.3 percent, that is \$35 million. We have seen what we call the Gary Filmon tax, the local property taxes for education, increase as much as 90 percent, since this government was elected, in School Division No. 1; 85 percent in the Assiniboia Division. We are seeing property tax increases this year ranging from 2.9 percent to 16.2 percent for school taxes because of the offloading of this government.

My question, Mr. Speaker, and I will use not my words but the words of another public figure.

I would like to ask, and begin by saying, and this is a quote: I do not believe that it is going to be in the long-term interests of Manitobans to have a government who hides the manner in which it raises its taxes.

I would like to ask specifically to the Premier (Mr. Filmon): What is the government doing, I ask, to ensure that senior citizens, that people, the low-income earners, the low-income homeowners, can continue to live in his or her own home because of these kinds of tax increases?

**Hon. Clayton Manness (Minister of Education and Training):** Mr. Speaker, I gather the member is referring to property taxes that have been called upon to support Mystery Lake School Division's decision to increase taxes.

I want the member for Thompson to know that his school division has an operating expenditure per pupil of \$6,324, which is significantly above the provincial average of \$5,838. Also, Mr. Speaker, this is in spite of the fact the enrollment has decreased 1.3 percent. Also, the average salary in the member's school division is \$50,137, far above the provincial average of \$48,078. I could go on and on. I hope the member asks questions.

The main reason then that the taxes are going up on the ratepayer in Thompson are decisions that have been made locally, autonomously, within that school division.

**Mr. Ashton:** Mr. Speaker, it is interesting that the Premier (Mr. Filmon) did not answer because the quotes were his quotes, and, in fact, he is failing by his own definition, because they are offloading onto the property taxpayers of this province massively, with massive property tax increases.

I will ask the Premier again, because we are seeing just in the last few days, as school divisions finalize their budgets, just how much property taxes are increasing. Once again, how

can he justify cutting public schools by \$35 million, 4.3 percent over the past three years, something that is leading to major program cuts and property tax increases in this province?

**Mr. Manness:** Again, Mr. Speaker, some more facts as to what drives up the taxes within that particular school division. The '94-95 pupil-teacher ratio for regular instruction is 17.7 which is far below the provincial average of 18.7. These are the decisions that the elected individuals within the Thompson area have made, as they are legislated to do within the autonomy given to them.

Mr. Speaker, do not let the member stand here and blame tax increases that are fully the responsibility of that school division on this government. They are fully within the power and the legislative responsibility of the trustees elected within that school division.

#### **Government of Manitoba Spending Priorities**

**Mr. Steve Ashton (Thompson):** It is interesting, Mr. Speaker, that they blame the federal government for offloading, but they accept no responsibility for offloading onto the school boards in this province. If they will not answer the question in terms of the cuts and the property tax increases, I will ask one final question on priorities.

I am wondering if the tax money of this province might be better spent on the public school system, rather than the massive government advertising and a \$40,000 newspaper put out that has 14 pictures, or whatever number of pictures, from the Minister of Rural Development (Mr. Derkach).

What are the priorities, Mr. Speaker, shameless advertising or the school kids in this province?

**Hon. Clayton Manness (Minister of Education and Training):** Mr. Speaker, as we announced

in the middle of January, \$760 million has been directed to support of the public school system, more than \$200 million than when we came into government eight budgets ago. Those facts are indisputable. Nobody can disagree with them. They are real.

Anybody who wants to come close to the subject of education, the issue is not funding, Mr. Speaker, because we are at the rank of the second or third highest on a per-pupil basis in Canada. We have an equalization model that distributes fairly the \$760 million that I referenced. Because some school divisions decide to pay their teachers far in excess of the provincial average, that have pupil-teacher ratios that are far below the provincial average, that is a decision that is made locally. That is the way education has existed in this province for a number of years and continues to exist today.

#### **Government of Manitoba Advertising Guidelines**

**Mr. Paul Edwards (Leader of the Second Opposition):** Mr. Speaker, my question is for the Minister of Finance.

For close to a year now, both we and the opposition party have been asking the government to come forward with guidelines on the use of taxpayers' dollars for political advertising. We now learn that there has been, in that last year, \$44,000 spent on these four newsletters. Just one of these, the most recent, includes 17 pictures of members of that caucus. Seven of those are of one member, the Minister of Rural Development (Mr. Derkach), but nevertheless, 17 pictures of people in that caucus in one newsletter costing \$44,000.

My question for the Minister of Finance: What is the standard, given that this same government recently paid I believe over \$1,000 to have the centre page of the Manitoba Sport Fishing Guide ripped out, which simply states—and no pictures of cabinet ministers—that there was a program initiated by the Honourable

Dr. Jon Gerrard, occurred this year when we agreed to contract with the Government of Canada to operate in a pilot youth training project, Youth Service Canada was announced by the Honourable Lloyd Axworthy, et cetera. That is it. That is the total politicization. They spent over a thousand dollars ripping that out of the sport guide. What is the standard?

**Hon. Eric Stefanson (Minister of Finance):** Mr. Speaker, this is an issue that the Leader of the second opposition party has asked before.

At the time I indicated to him that we were corresponding with all provincial governments in Canada, we were corresponding with the federal government. We have done just that. Not a single provincial government or the federal government have any guidelines so to speak in terms of how you deal with advertising on behalf of governments. We are continuing to work with those levels of government around the entire issue of formulating guidelines.

Mr. Speaker, I want to tell you that everything we have done would fall within any guidelines that would be established, because it is information being provided by the government to the taxpayers of this province. He makes a big issue of referring to pictures of the Minister of Rural Development in a rural development publication but obviously also includes dozens of pictures of individuals from throughout Manitoba, which is certainly not uncommon for a publication that deals with rural development issues.

Once again we will continue to work with other jurisdictions. To date there is not a single government, including the federal Liberal government, that has any guidelines in place for advertising. Everything we do would fall within any guidelines that would ultimately be established.

**Mr. Edwards:** Mr. Speaker, such is the political neurosis and hypocrisy of this government that they spent over a thousand dollars ripping out

even a reference by an independent organization to a member of Parliament who does not happen to be in their party, yet they publish \$44,000 worth of pictures of themselves.

My question for the Minister of Finance: Given that he said, June 3, 1994, in this House ". . . we will come forward with a position on the whole issue of appropriate guidelines and so on. So we are undertaking it. We take it very seriously."—where are those guidelines? That was nine months ago. Where are those guidelines?

**Mr. Stefanson:** Mr. Speaker, I think, unfortunately, the Leader of the second opposition party did not listen to my first answer, but we have worked with all other levels of government. In fact, the Provincial Auditor herself took the time and effort to attempt to get information on guidelines that would exist with other governments across Canada, and again, was unable to provide any significant information in that area because they do not exist.

The ultimate test is right here in this Chamber, where we can be asked questions about the kind of advertising. The ultimate test is with the people of Manitoba. We will continue to work with other levels of government around the whole issue of guidelines, but that is the ultimate test.

Everything that we have done is informing Manitobans about initiatives, about programs, about opportunities, whether it is Grow Bonds, whether it is Rural Economic Development Initiatives, whether it is Business Start, a whole series of initiatives, whether it is the Home Renovation Program, whether it is the new home purchase program. The list goes on and on in terms of information that Manitobans should know, so that they can access programs and utilize those programs.

**Mr. Edwards:** Mr. Speaker, my final question is for the minister. He says the test is in this

Legislature. The test is here, and we are apparently going to find out the test.

Can he tell us what the test is?—because, Mr. Speaker, I am a little confused when they spent over a thousand dollars to rip out a private advertisement that happens to mention Dr. Jon Gerrard or Lloyd Axworthy, yet at the same time spent \$44,000 with 17 pictures of themselves.

Now, what is the test? Do you have to be a Conservative to get taxpayers' dollars? Is that the test?—because there does not appear to be any other credible explanation. What is it?

\* (1410)

**Mr. Stefanson:** This is an interesting line of questioning, Mr. Speaker, from the Leader of the Liberal Party. We all remember his utilization of the postage services in terms of the amount of money he spent sending out information to Manitobans.

I have outlined for him that we believe as a government that it is important that Manitobans know what governments are doing. We believe it is important that Manitobans know what programs are available, and, obviously, by informing Manitobans about Grow Bonds and REDI—and I know the Leader of the Liberal Party thinks that those are small potatoes, to quote him directly.

We do not think they are small potatoes. We think Manitobans should know about those initiatives, so that they can access Grow Bond programs right across our province, access Rural Economic Development Initiatives, access Business Start programs. I could go on and on about the information that Manitobans should have.

We believe in informing Manitobans. We will always inform Manitobans, unlike the kind of attitude we see from the second opposition party.

## Capital Projects SmartHealth

**Mr. Dave Chomiak (Kildonan):** Mr. Speaker, I think there might have been an oversight or some inaccuracies in this capital program that was tabled this afternoon by the minister insofar as he said the William Avenue project would be the largest capital.

From what I understand from the minister's own press release, the Royal Bank contract would be the largest capital project ever undertaken by the Department of Health, be it \$100 million, \$118 million or \$150 million depending on which aspect of the minister's speech you take from.

Can the minister confirm whether or not the Royal Bank deal which will probably be the largest capital project in health history is in this capital plan, Mr. Speaker?

**Hon. James McCrae (Minister of Health):** Initially, Mr. Speaker, I am tempted to remind the honourable member that it may be his imagination from which he withdraws the numbers he uses when he asks questions in this House, but the honourable member surely, even though he lacks the medical background of one Derry Decter in Brandon West that the honourable Leader of the Opposition (Mr. Doer) royally insulted, his own Health critic of the last year and a half or more when he spoke as he did about Dr. Derry Decter in Brandon, but he will pay a price for that. [interjection] He knows something about health, unlike—that is right—the member for Kildonan, but the honourable member for Kildonan has been around long enough to know that arrangements like the one we have with SmartHealth do not form part of the capital budget of the province.

## SmartHealth Contract Tabling Request

**Mr. Dave Chomiak (Kildonan):** Mr. Speaker, if the minister would table the capital project for

Health for next year, will the minister today table the contract which is almost as large as some of these capital projects or larger? Will he table the contract with Royal Bank that he has refused to do over and over again in this Chamber?

**Hon. James McCrae (Minister of Health):** Mr. Speaker, the contract is being negotiated and as the honourable member knows, it is a contract that has many, many pieces, many, many parts, many, many modules to it. There are many, many go or no-go points.

The honourable member just needs to be reminded one more time that our implementation committee composed of the many, many stakeholders in the health system who are our partners in all of this have the say about the go or no-go parts of the contract.

The honourable member needs to be reminded one more time that any cost overruns are the responsibility of SmartHealth.

**Mr. Chomiak:** Mr. Speaker, this sounds so familiar. The minister knows the same thing was said with Connie Curran, go, no go, and we paid and paid and paid Connie Curran \$4 million plus \$800,000 in expenses.

My supplementary is to the minister. They are working on this contract. Offices have been set up. Will the minister, today, table the Royal Bank contract so the people of Manitoba can have the same assurance and can review it before we commit these horrendous funds to a computer project on behalf of the minister and the Royal Bank of Canada?

**Mr. McCrae:** As I did the other day, Mr. Speaker, I am going to refer the honourable member to the stakeholders and he can talk to those people who are our partners in the smart card system that we are putting together in Manitoba. I ask him to refer to the Manitoba Society of Seniors, to the Manitoba Association of Registered Nurses, to the Consumers' Association of Manitoba, the Manitoba

Association of Rights and Liberties, the College of Physicians and Surgeons, and on and on.

Let him talk to the stakeholders in the health system, including the consumers I work for. The honourable member, we are not sure who he works for, Mr. Speaker.

### **Rural Manitoba Physician Requirements**

**Mr. Clif Evans (Interlake):** Mr. Speaker, Arborg Hospital is currently looking at shutting down every third weekend because they cannot get an extra doctor in their community. They are left with only two doctors, when they had three.

Eriksdale presently is closing every third weekend and has been doing so for the last year. Other communities, like Russell, Souris, Gladstone, only to mention a few, are all suffering the fact that there are no physicians for their areas.

Mr. Speaker, will the minister tell the House today what plans he has in place to encourage doctors to move to rural Manitoba to ensure that we do not become a two-tier system?

**Hon. James McCrae (Minister of Health):** Mr. Speaker, I appreciate the honourable member raising this question. The honourable member for The Pas (Mr. Lathlin) raised a similar question the other day, and I laid out for the honourable member the various— [interjection] I did answer that question. I answered the question to the honourable member for The Pas the other day, laying out several initiatives that are brought forward, which are partly the result of the interim report of the Physician Resource Committee.

No one knows more than the honourable member or myself, I suggest, or the honourable member for The Pas, how important it is in our communities to have medical services to go along with the facilities that we have built up over many, many years.

So, with the continuing partnership of the College of Physicians and Surgeons, the Manitoba Medical Association, the communities themselves and, hopefully, honourable members opposite, we will resolve these physician resource issues.

**Mr. Clif Evans:** Mr. Speaker, the minister signed an Order-in-Council in February which changes the criteria for determining professional qualifications for foreign-trained professionals.

The minister has sent a letter to the physicians in Manitoba who have provisional billing numbers, encouraging them to practise in rural Manitoba, Mr. Speaker. Will the minister tell this House why nothing has been communicated to the hospitals that are trying to recruit these doctors?

**Mr. McCrae:** It would be quite incorrect to say nothing has been done with respect to the hospitals. My visits to hospitals in communities that have hospitals now exceed over 60 visits in this province, Mr. Speaker, to hospital facilities in communities that have an interest in health care issues. It is not correct to say what the honourable member has said.

**Mr. Clif Evans:** Mr. Speaker, will the minister then outline to this House what resources his department has put in place, is willing to further put in place, to assist the numerous rural communities and hospitals that are trying to recruit doctors, to simplify the process and help the health care system in rural Manitoba?

**Mr. McCrae:** Well, a lot more resources than any New Democratic government ever put into the coffers for Health in the history of this province.

**Frank Maynard  
Settlement Package**

**Ms. Avis Gray (Crescentwood):** My question is for the Minister of Health.

When Frank Maynard, the former Deputy Minister of Health, left the employ of the Department of Health, can the minister tell us if he was given a settlement package upon his leaving?

**Hon. James McCrae (Minister of Health):** I assume that whatever arrangements are available to other people in the same position would have been made available to Mr. Maynard.

**Ms. Gray:** With a supplementary to the Minister of Health: Can the Minister of Health then indicate to this House today exactly what that settlement package was?—since in a Freedom of Information request dated a month ago, we received information that, in fact, we were denied that information.

Mr. Maynard was employed by the public. It should be a matter of Public Accounts, when the next Public Accounts document comes out. Can the minister then tell us how much was Mr. Maynard paid for his leaving as deputy minister of the Department of Health?

**Hon. Gary Filmon (Premier):** Mr. Speaker, I can just confirm for the member that there were no special arrangements whatsoever, no special severance or any other provisions. Whatever he was entitled to under his status as a civil service officer he would have been given, because I know that we were not required to make any provisions whatsoever for him.

**Ms. Gray:** Mr. Speaker, can the Premier then perhaps tell this House why we were not given that information when we asked for it through Freedom of Information, particularly since, when we asked for the CEO's contract at Red River Community College, that entire contract was provided to us? If it is very up front, as the Premier suggests, why were we not given that information when we asked for it through FOI?

**Mr. Filmon:** Mr. Speaker, normally employment contracts are private information. There is no question about that. Any



remuneration is always accounted for in the Public Accounts. It is shown what they get in black and white, so there is absolutely no opportunity for anybody to hide it.

Employment agreements, as in almost any other form of employment, are normally the private information between the employer and the employee. Certainly nothing that we were doing would be anything special for this individual. He would have gotten what he was entitled to as a public servant who served some 25 years in the government of Manitoba—no special provisions. That is all I can assure her.

\* (1420)

### **Treaty Land Entitlements Interim Protection Zones**

**Ms. Rosann Wowchuk (Swan River):** Mr. Speaker, on February 6 the Minister of Northern Affairs (Mr. Praznik) wrote to the treaty land entitlement committee, stating that the provincial government would set aside interim protection zones for treaty land entitlement consideration.

I want to ask the Acting Minister of Northern Affairs if this is now government policy and what steps this government has taken to fulfill this promise made on February 6.

**Hon. James Downey (Acting Minister of Northern Affairs):** Mr. Speaker, we will be more than glad to take that question as notice. I do not have the information available.

**Ms. Wowchuk:** Mr. Speaker, in light of the minister making that statement, can the acting minister then tell this House if lands are being identified and whether they have contacted the Swampy Cree Tribal Council, Shoal River First Nation, Indian Birch Band and Pine Creek Band to identify lands to be set aside for their treaty land entitlement?

**Mr. Downey:** Mr. Speaker, I, in responding to the member, just want to remind her—I will take

the specifics of the question as notice, but I want her and the members of this House to know that it was this Premier (Mr. Filmon) and this government in the history of Manitoba that made the first land settlement in history in the northeast part of this province with the Island Lake communities, never before carried out by any government in this province, a record settlement with the First Nations of this province.

**Ms. Wowchuk:** Mr. Speaker, I will ask that same minister if they will make a commitment today to meet with the bands that I just raised, the Swampy Cree Tribal Council Bands, to ensure that there is land set aside for them so they will have the opportunity for economic development in their area that they have been asking this government to do for some time now?

**Mr. Downey:** Mr. Speaker, again, I will take the specifics of the question as notice. Not only on meetings but action as far as the First Nations of this province are concerned has clearly been demonstrated by this party and this government over the last eight years. We are proud of our record. You can bet that we would be more than prepared to meet with any of those individuals.

### **Clean Environment Commission Elimination**

**Mr. Gord Mackintosh (St. Johns):** Mr. Speaker, my question is to the Minister of Environment.

Water is one of our most precious resources. A couple of years ago the Clean Environment Commission determined that it did not have enough data to approve the proposed diversion of the Assiniboine River. We have now learned that the government intends to scrap the Clean Environment Commission.

My question to the minister is: Would the minister tell Manitobans what changes to environmental assessment the government plans

and whether there will be a balance between development and the environment, that is, sustainable development of our water resources?

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, I will not let the member put on the record false information about the future of the Clean Environment Commission. He knows better than anybody else in this House that under the principles of sustainable development and the requirement that we are placing on all departments in this government, wherever they are involved with environment, to make sure that they take into account that there is an expanded role for environment, not a reduced one. He better quit misleading the people.

**Mr. Mackintosh:** Mr. Speaker, given that we understand from a former member of the government benches that it wants the Assiniboine River diversion project to proceed, and in light of the government's plan for assessments to be unabashedly prodevelopment, is the scrapping of the Clean Environment Commission designed to allow quick passage in the backrooms of this project and such projects as the arena at The Forks—

**Mr. Speaker:** Order, please. The honourable member has put his question.

**Mr. Cummings:** Mr. Speaker, that is unmitigated misleading of the public. It may make good politics in St. Johns, that is the only place I would presume, given that he must know his area reasonably well.

Mr. Speaker, the very fact that he would imply that somehow the Clean Environment Commission or any commission that would take on the responsibilities that it presently has would not acknowledge the paramount importance of protection and enhancement of water resources in this province—perhaps he thinks that the public would stand for that. Is that the way that New Democrats would run it? They did not even have a hearing when they built Limestone and he

wants to stand up and talk about protection of the environment. He is a joke.

### Point of Order

**Mr. Mackintosh:** Mr. Speaker, the member may be quite exercised. I ask him to withdraw that reflection.

**Mr. Speaker:** I would like to thank the honourable member for St. Johns.

The honourable member for St. Johns, with his question.

**Mr. Mackintosh:** I ask the member, Mr. Speaker, on a point of order, to withdraw the comment.

**Some Honourable Members:** Oh, oh.

**Mr. Speaker:** Order, please. We have a point of order here.

You are asking for which comment to be withdrawn, sir?

**Mr. Mackintosh:** Mr. Speaker, I am an honourable member like the other members in this Chamber. I am not a joke. I ask the member to withdraw that.

**Mr. Speaker:** Which is true. The honourable member does have a point of order.

**Mr. Cummings:** Mr. Speaker, that was certainly not a reflection on his person, but it was a reflection on his politics—

**Mr. Speaker:** Order, please. I am asking the honourable Minister of Environment to withdraw that remark. These are all honourable members in the Chamber.

**Mr. Cummings:** Mr. Speaker, there is no doubt that he is an honourable gentleman.

**Mr. Speaker:** I would like to thank the—

**Some Honourable Members:** Withdraw.

**Mr. Speaker:** That is a withdrawal.

\* \* \*

**Mr. Mackintosh:** Mr. Speaker, even with this government's interferences in the Clean Environment Commission processes, the splitting of assessments that we now see and the ignoring of Clean Environment Commission decisions, I ask the minister what particular Clean Environment decision is of such concern to the government that it wants to scrap the Clean Environment Commission? They are scrapping it, Mr. Speaker. His people say so—

**Mr. Speaker:** Order, please. The honourable member has put his question.

**Mr. Cummings:** Mr. Speaker, let me reiterate that I would suggest there is probably no better example before all of us today than the very example of the disagreement between the City of Winnipeg and the Rosser landfill being proposed by BFI.

Where the Clean Environment Commission has a number of responsibilities that go beyond simply environmental regulation, that in fact the very questions that the city is asking, the questions that the member is asking and his colleagues about how we will capably deal with such a complex question, it simply begs a question about the expansion of the role of a commission to deal with more than just environmental matters or just economic matters. It talks about a sustainable development concept, an approach that is fair and reasonable and provides for jobs and the environment in this province.

#### **Budget Revenue Transfers**

**Mr. Leonard Evans (Brandon East):** Mr. Speaker, I have a question for the Minister of Finance.

This budget has shown a surplus of \$48 million in large part because of a special one-time transfer of \$145 million from a Lotteries fund. We note that in addition, the Minister of Finance (Mr. Stefanson) has transferred \$30 million of revenue from 1994 to 1995 including as is shown in the estimates of revenue, the Manitoba Mineral Resources Limited, Manitoba Development Corporation and A.E. McKenzie Limited. Those monies were received in 1994, but he is showing them as being received in 1995.

Can the minister explain why he has transferred '94 revenue to '95 to contribute to his surplus figure?

**Hon. Eric Stefanson (Minister of Finance):** Mr. Speaker, I am glad to see that the member for Brandon East is taking the time to go through the budget in some detail and to acknowledge that there will be a \$48-million surplus in 1995-96, the first balanced budget in Manitoba since 1972-73.

That revenue he is referring to is money that will flow from the finalization of the sale of Manitoba Mineral Resources, from the finalization of the sale of A.E. McKenzie Seeds and from a dividend from the Manitoba Development Corporation.

Upon finalization and completion and the winding up of those various entities, Mr. Speaker, that revenue will flow in 1995-96.

**Mr. Leonard Evans:** Mr. Speaker, McKenzie Seeds was sold this last year, this current fiscal year, and we were told monies were being received. Now you are telling us there are no monies received from McKenzie Seeds in 1994-95. Yet, another member of this government has indicated that those monies were received by the government of Manitoba.

So can the minister explain the contradiction between what he is telling me today and the

minister responsible for A.E. McKenzie told us a couple of months ago?

\* (1430)

**Mr. Stefanson:** There is absolutely no contradiction, Mr. Speaker, and I did not leave the impression that there is any contradiction. Those sales are completed and have been completed but in terms of the winding up and the transferring of the funds to us, it will occur in 1995-96.

If the member for Brandon East looks at our 1994 Quarterly Report that we just tabled today, he will see in this year that we are coming in with a deficit of \$218 million as opposed to the original deficit of \$296 million that was projected at budget time, some \$80-million improvement because our revenues are doing better and the whole economy is performing better. There are more jobs in Manitoba and so on.

So our performance in 1994-95 is significantly better than originally projected. We have the opportunity to wind up those entities and to transfer those funds in 1995-96 and balance the budget here in Manitoba for the first time in 23 years and make sure it stays balanced from this day forward in Manitoba.

**Mr. Leonard Evans:** Well, it is obvious that the minister is taking great liberty with how he transfers funds, because the people of this province were told that they received the money from McKenzie Seeds in '94-95, and that money should have been registered as that type of revenue received.

It is obvious a sleight of hand is going on here. It is a shell game, just like the VLT transfers, a shell game, and we all know it.

I would like to ask the minister, Mr. Speaker, is it this government's policy to continue to sell capital assets, provincial government assets, to bolster its revenues or to be able to balance its

books in the future such as, for example, the sale—God forbid that this government is re-elected—of MTS.

**Mr. Stefanson:** I know that it really pains the member for Brandon East to see a surplus here in Manitoba because of the kind of track record and the kind of deficits that we saw under their administration from 1981 till 1988, and you need look no further, Mr. Speaker, than the budget that they introduced in 1988 that had a \$334-million deficit. It was so bad that one of their own members voted against it and defeated them. Thank God for that day for the good of Manitoba's economy and for the fiscal management of this province.

Whenever it makes sense for government to get out of a function that they should not be in, where the private sector can perform better, more efficiently, and provide that service to Manitobans, we will do that every time when that makes sense, but we will also maintain our commitments and our priorities for health, education and support to families in this province.

### **Capital Projects Cadham Provincial Laboratory**

**Ms. Avis Gray (Crescentwood):** My question is for the Minister of Health.

Can the Minister of Health tell us why the—I see the Cadham Provincial Laboratory expansion is again showing up in architectural planning as it was a number of years ago.

Can the Minister of Health tell us why that particular project has not moved to the section under approved for construction?

**Hon. James McCrae (Minister of Health):** Mr. Speaker, the various schedules in the capital budget have got the architects and all of the facilities and the management of those facilities and the government terribly busy trying to keep up with the amount of expenditure this

government is willing to make on capital projects. That as much as anything else may very well account for what the honourable member is asking about today.

There are discussions and negotiations that go on throughout the piece, especially the earlier parts of the development of a capital project. The decisions made at the early stages of the development of a project are very, very important, because it is hard, once you have a building half built or a project half completed, to change your mind at that stage and do it differently.

There have indeed been negotiations leading to what you see in the capital Health program for the province of Manitoba, and those negotiations and planning account as much for the passage of time as anything else that the honourable member might want to bring forward.

**Mr. Speaker:** Time for Oral Questions has expired.

## ORDERS OF THE DAY

### BUDGET DEBATE (Sixth Day of Debate)

**Mr. Speaker:** On the adjourned debate, the sixth day of debate, on the proposed motion of the honourable Minister of Finance (Mr. Stefanson) that this House approve in general the budgetary policy of the government and the proposed motion of the honourable Leader of the Opposition (Mr. Doer) in amendment thereto and the motion of the honourable Leader of the Second Opposition (Mr. Edwards) in further amendment thereto, standing in the name of the honourable Minister of Agriculture who has 30 minutes remaining.

**Hon. Harry Enns (Minister of Agriculture):** Mr. Speaker, I would like to resume debate on the budget by giving out a beef and a bouquet. By the way, it demonstrates to some extent a very important issue that we all will face in how

we have to deal with what you will be hearing a great deal about from me when I describe it as a post-WGTA era.

First of all, the bouquet, surprisingly, is to the federal Liberal government, and I am absolutely serious about this. Things can happen in a positive way without millions of dollars of tax money involved.

What the federal government has announced today with respect to our ongoing sugar dispute with the Americans is precisely the action needed. They have undertaken to investigate the offshore sugar, often subsidized, being dumped into Canada and then Canada being used as a back door for entry into the American market.

You see, Mr. Speaker, that is what the Americans are mad about. They are not mad about our sugar beet producers, not mad about the sugar beet producers in Alberta—we only produce 8 percent to 10 percent of domestic sugar—but they do not like cheap, subsidized, foreign sugar coming in the back door to access the American market.

Today, I am pleased to report to the House that Canada is on the verge of perhaps instigating a major trade war with a number of countries, which include Denmark, Germany, Holland, Britain and Korea, for imports of sugar from these countries, worth billions of dollars, but who are suspected of dumping them into this country at prices below their costs of production and triggering the kind of trade dispute that is currently jeopardizing our sugar industry in Manitoba.

So I hand a bouquet to the federal government for acting precisely in the way that I advised them to act several weeks ago when this thing started. That is the way that action has to be taken.

I hope that they are successful, and I would like to urge all members of the House, particularly those of the Liberal Party, to let it be

known to Messrs. Axworthy and others that if they want to help the Manitoba farmer, this is how they can support them in this instance.

(Mr. Ben Sveinson, Acting Speaker, in the Chair)

Now, as for the beef, because it is equally serious. Yes, regrettably, it is to the official opposition, the NDP. Mr. Acting Speaker, I am appalled, and I am angry that at this late date, on February 27, '95, a member of this Legislature would still go out of her way to attack a \$100-million industry, our PMU industry, to try to destroy jobs in Manitoba, jobs in Brandon and primary production—for immediate release, February 27, 1995, the excerpts from The Business of Estrogen Production prepared by the office of Marianne Cerilli, member of the Legislative Assembly in Manitoba.

Now, I thought we had dealt with this matter. The member for Swan River (Ms. Wowchuk), the Leader of the Opposition (Mr. Doer), that party that reports to be a government-in-waiting, cannot speak out of both sides of their mouths on these kinds of issues. That is what gives all of us politicians a bad name. More importantly, it runs totally against the very things that we are trying to develop in this province, and that has to be stopped.

The Leader of the Opposition has to discipline the member. The Leader of the Opposition has to disassociate himself from that kind of attack, and it has to be done now. This is at a time when we are talking about value-adding, when we are talking about what to do about grain that we cannot ship out of our country or out of our province, when we are talking about trying to utilize some of our more marginal lands, our pasture lands.

To have the official opposition associate themselves with a track that is full of blatant lies—that is all you can call them. Every second paragraph, every second sentence that Ms. Marianne Cerilli attaches her name to is blatant

lies—[interjection] Pardon me. I withdraw, Mr. Acting Speaker, the honourable member for Radisson (Ms. Cerilli). But we are talking about—

\* (1440)

### Point of Order

**Mr. Daryl Reid (Transcona):** On a point of order, the honourable member across knows full well that we are all honourable members in this House, and for him to use the reference word "lied" is unparliamentary, and I ask him to withdraw on both points.

**The Acting Speaker (Mr. Sveinson):** The honourable minister has withdrawn already.

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**Mr. Enns:** I made no reference to—I made very specific reference to the material that the honourable member for Radisson feels comfortable associating herself with as being filled with blatant lies, distorted truths and totally unacceptable to the agriculture industry in the province of Manitoba. So that is, regrettably, the kind of beef that I have to hand out to the honourable members of the opposition on this particular occasion.

### Point of Order

**Ms. Rosann Wowchuk (Swan River):** The Minister of Agriculture is referring to a document which he says has inaccurate information. He is reading from the document. I would ask that he would table that document so that we can see it, please.

**Mr. Enns:** Mr. Acting Speaker, I have no difficulty in tabling the document. This is just a short summary. I might tell the honourable member that in addition there is a great deal of other material, some of it gathered not in this province of Manitoba but in North Dakota, of all places. All of that, though, is being used to

attack this industry. I am pleased to table this information.

### Point of Order

**Mr. Reid:** Mr. Acting Speaker, I believe it is a policy of this House that when any member of this House refers to a document that that document be tabled in this House. We have asked for that, and there does not need to have any further comment attached to it before it is tabled.

**The Acting Speaker (Mr. Sveinson):** Order, please. The document was tabled.

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**Mr. Enns:** I suppose that is where the sensitivity is. That, regrettably, is a lesson that politicians better start learning, and that is, when you want to attach yourself to special interest groups, you want to be very careful. It is that desire, I suppose, that is within us to be everything to all people, and you simply cannot do that. In this particular instance, let us deal with this special interest group that the member for Radisson chooses to identify herself with, the animal rights group. Now, let us talk about the animal rights issue openly, and let us talk about it sensibly because, Mr. Acting Speaker—[interjection] That is right.

Now let us understand that while the instance in this case is horses, it does not stop there, of course. It is all animals. It is the dairy industry. It is poultry. It is beef. It is even pets. It is harness racing at the Downs or thoroughbred horse racing events. It is the exploitation of any and all animals by mankind. That is what we are talking about.

Now, if we want to take up that cause seriously, then let us consider the consequences. There would be no health care to debate about. There would be no universities, no schools. How do you think this country was opened up? Not by a spanking-new John Deere diesel tractor

that we drive around now, it was done by horses. How do you think any civilization started agriculture? Whether it was oxen, whether it was mules or whether it was donkeys, let us lay it right on the table.

If we pay even cursory lip service to this nonsense that the activists in the animal rights movement are talking about, we are talking about losing immediately thousands and thousands of jobs in Manitoba. We are talking about immediately at least closing down most of our education facilities. We are talking about immediately closing down most of our health services. Are we seriously talking about that?

If you want to court even for a moment for a few cheap votes, if you want to ingratiate yourself with a group of very well funded, totally funded on taxpayers' support, I might say, with tax contributions, who operate out of Washington in United States, who are on this agenda, who pay themselves exorbitant executive salaries and who will pick and choose, whether it is the seal one year or decade, it is the horse the next decade—my understanding, my information, by the way, is that they are now moving off the horse. It is the beef animals that are going to be the target in the next onslaught. That is what we are talking about.

Let us be fair and open and honest about it, Mr. Acting Speaker, and let us not pretend that we can deal with this in any other way, particularly for the challenges that agriculture faces in the post-WGT era, where it is by deliberate government design, by deliberate government policy—it has to be. It is the only policy that I can hold out to my producers—that, as an alternative to some of the traditional cereal cropping reliance that we have had in the Prairies, we and Saskatchewan and Alberta, land-locked as we are, turn to more expanded livestock production. If that represents a problem for somebody, that represents a problem for the Liberal Party, that represents, as it obviously does, for the New Democratic Party—although I do not think so. I really do not

think so. It ought not to. [interjection] No, I am talking about the position that you are putting the New Democratic Party in.

(Mr. Jack Penner, Acting Speaker, in the Chair)

If for a moment you even flirt with the idea, if you even walk down the hall with an animal rights activist, you are flirting with that kind of nonsense and that kind of idea. If you want to take that measure even just the slightest step forward, how plausible is that for what our primary producers face on the Prairies, land locked as we are, distant from ocean-going seaports?

Mr. Acting Speaker, we are going to actively encourage greater production in poultry. We are going to actively encourage greater production in pork, in hogs. We are going to actively encourage greater production in livestock.

Yes, we will actively encourage, and certainly through the extension divisions of the Department of Agriculture, all kinds of ventures into nontraditional livestock raising, such as have been mentioned by the Leader of the Liberal Party—emu, ostrich, bison.

The search for different opportunities, different ventures will accelerate because of the changed circumstances that we will face as of August 1, 1995, when all of a sudden it becomes prohibitive for us to ship too much of our feed grains, a low-priced, high-volume product, product that is only worth 3 cents a pound, out of our province.

Mr. Acting Speaker, let us be very clear. That is the direction that agriculture has to take, not just under this ministry or under this government. That is the direction that prairie agriculture will take, whether it is by an NDP administration in Saskatchewan or a Conservative administration here in Manitoba or any other administration that may represent the farm community in the coming election.

What it does, of course, to those involved in the industry—particularly I challenge our producers in the so-called supply-management areas—poultry, turkey, eggs—because when I speak of expanded livestock, I speak of all livestock. I appreciate that there has been perhaps an undue focus on hogs and on pork. Let me be very clear about it. I see great opportunities for expanded livestock productions in a very inclusive way. It comes about in a very natural way.

What happens with the disappearance of the Crow—if we are not spending tax dollars to move our feed grain out of our province, then it enhances the position that Manitoba already enjoys as being one of the best places, economically speaking and environmentally speaking, to raise these valuable food stocks. That is the future. That is the direction of agriculture as we move into the year 2000.

Some of our arrangements that we have, particularly in these products, that you, Mr. Acting Speaker, are well versed in, you understand this, will be tested because as cost of the feed supplies are stabilized and perhaps even lowered as a result of this federal government action, feed costs will rise, particularly in eastern Canada, and one cannot overall maintain that argument that no, we shall strictly adhere to the quotas that have been allocated to each province. It is natural, and it will be a responsibility for the departments of Agriculture, for our people involved in the vicinity, that more of that production should occur where it makes most sense to produce it, and that is in Manitoba.

That is a challenge that I provided to the Broiler Producers association who are meeting today at their annual meeting. I gave out the same challenge to our turkey producers a week ago. I am more than prepared to work with them. They have, in the main, done an excellent job in doing two things: No. 1, not imposing on the Canadian taxpayer, or the taxpayer generally, for a great deal of help, for instance, in the running of their businesses. They have, of



course, been in a preferred position. They have received considerable protection in terms of their market position, and they could position themselves to do that, but their challenge in the post-WGTA era is how to live with the challenges that they face under the international trade obligations that we have entered into when we signed on to GATT.

That has a six-year time clock running. They have to face up to the challenge that we are facing currently, again with our major trading partner, the Americans, on their interpretation of our obligations under such trade agreements like CUSTA and NAFTA. Their position tends to be that they take precedent over GATT. That is part of the argument. We insist that GATT is the operable term of reference for our industries, and that gives us at least a six-year period of phasing in any necessary changes that might have to be brought to these industries.

Nonetheless, those are the challenges, Mr. Acting Speaker, that Manitoba farmers face, and they begin facing them very soon. This is not a question that is maybe or may come. This comes with a clarity on August 1, 1995, this summer. This is why I am particularly concerned, among other things, that right now we are sitting with yet another rail strike. You ought to remember that 5,000 cars of grain are unloaded every week when the trains are running, and it is important because the time is clicking. If I am a farmer sitting with 30,000 bushels of feed grain, it has got to be sold now. It has got to be exported now, because after August 1 it is going to be very hard to move it out of the province. So there is a double reason for the Transportation critic of the New Democratic Party to assist us in getting the rail workers back to work.

\* (1450)

I regret that it appears to have to take legislation to do it, but again, I acknowledge that the federal government has acted with dispatch. My understanding is that legislation has in fact

passed through the House and is now currently before the Senate, so hopefully the trains will be rolling and this grain movement, the record movement of grain, can continue to roll off our farms and off our elevator points and collection points on to their final destination.

Mr. Acting Speaker, I am surprised that my friends opposite find themselves in such a kind of tradition-bound reactionary role. It is not too late. I am going to use the last few moments that I have in this debate—I am pleased to see the House leader for the official opposition at least to come back and to be able to listen to this, because this is a tremendous budget that we have placed before you. Why do you not prove to the world that you are not really the tradition-bound reactionary groups that you have developed a reputation for in opposition and do something that is different, vote for this budget?

You just heard the capital estimates of hospital construction and health construction. I know that is a big-ticket item with your group. It is there.

I sat in those chairs and I listened to a pretty good budget brought down by a New Democratic Party Premier, Premier Schreyer, in '73. I voted for it, as did the entire official opposition. We voted for it.

**An Honourable Member:** We voted for your '89 budget.

**Mr. Enns:** Well, in '89, but there were special circumstances there. That relationship that was established in '88 and '89 in the minority years between the New Democrats and the Conservatives was somewhat suspect, Mr. Acting Speaker. We at least always felt that their coming close to us was not really indicative of a sudden realization of what great folks we were or that they were secretly falling in love with us or they were starting to buy our philosophy. It perhaps had something much more primal to do with it. It had to do with survival as a political entity. They did not want

to see an election in '88 or '89 so they did indeed support us on those budgets.

Mr. Acting Speaker, they now have a golden opportunity. They have a golden opportunity to depart tradition and acknowledge what I will tell them. You never like everything in a budget, in any budgets. I will tell you, there is a great deal in this budget that was presented to this Chamber last Thursday that the majority of Manitobans are prepared to support. I cannot understand politically why you would not consider demonstrating that and acknowledging that by supporting this budget at nine o'clock on Monday night.

It is the best advice I can offer them. If they choose not to take it, that is their concern of course. I can only tell them, this advice comes from somebody that expects to be back in this House and will be back in this House. I am not sure about all the rest. Thank you.

**Ms. Marianne Cerilli (Radisson):** Mr. Acting Speaker, I am pleased to rise today to join the debate on this budget. I am calling this the Filmon fantasyland budget. I think it is one of the most cynical things we have seen from a government for a long time.

Cynicism and fantasy seem to be what is the basis for this budget. I do not think that people are going to buy this very dishonest approach to government financing, and I do not think they are going to fall for either the proposed balanced-budget legislation.

It is a sorry state for politics and for government when we have a government after so many years in power, going on seven years in power, to try and do this kind of fiscal voodoo, fiscal shell game for the public. No wonder, Mr. Acting Speaker, people are getting a little disconcerted about the prospects for government. We continue to have governments like the Filmon government who really do not believe in governments at all. I think that is essentially what the problem is.

We cannot have people though lose faith in government. We cannot have people start to feel that there cannot be governments that are going to represent citizens who are going to stand up for justice and equality. We have to believe that our democracy can be fulfilled by a government that is not going to cave in to the international money marketeers and large transnational corporations as the federal Liberals and the provincial Conservatives have.

It amazes me that this government could bring in a budget such as this that is not going to account for the losses in the Western Grain Transportation projections. This is part of the fantasy, Mr. Acting Speaker, that on the revenue side they are not accounting for the loss in revenue so we are seeing a projected balance. Let us remember that this is just a projected balance coming from a government that has had a very poor record on projecting budgets.

There is no account in this budget for the decrease in transfer payments in health and education, the hundreds of millions of dollars there that are going to be lost to Manitoba through to the end of this decade. There is no account for the fact that we are going to have to face that because of the federal Liberal abandonment of their promises in the election, because of the federal Liberals' shift to the right. We are seeing that we are losing an estimate of \$391 million in federal transfer payments by the end of this decade. To think that by some magic this government is going to come up with a \$48-million surplus this year with that kind of loss in revenue from the federal government is ridiculous.

\* (1500)

There is no account either for the loss to the economy with the one-time financial grab of selling McKenzie Seeds and the Manitoba Development Corporation and the Manitoba Mineral Resources corporation. There is no accounting for the future, the impact that is going to have on revenues to government. It is

a very cynical ploy to try and grab a few things that they can sell off to pump up the revenues.

The biggest thing that is cynical about this budget and the sham of this budget is that they are going to be using over \$200 million in revenue from lotteries while studying the possibility of reducing VLTs in Manitoba. That to me is the clearest example of how on the one hand they are saying they are going to have all this money and on the other hand they are saying they may look at reducing the VLTs that have done serious damage to the economy in Manitoba, serious damage to the rural economy in Manitoba.

I think people are not going to fall for this. They are not going to fall for the kind of media advertising campaign where one day before the budget they are announcing a study on VLTs because they know that people are concerned about the effects on families and the economy.

On the other hand, they are saying that they are going to balance the budget based on this VLT lotteries revenue. It is buying into a very false economy. I do not think people are going to buy that.

I cannot believe the desperation of this government, the desperation to do this, to realize that other governments, like Saskatchewan, our neighbouring province, balanced the books last year and are also projecting to do that again this year, and it would have been very bad fortune for a Conservative government to not be able to do the same going into an election. So they have gotten desperate, and they have resorted to this fantasy of this Filmon budget.

The other thing I think that we should keep in mind is that they are trying to play it both sides also with showing a number of areas in Education and Health and all these departments that are not going to have major cuts, trying to make it seem like they are not going to eliminate programs that are important to Manitobans when in fact, given the revenue projections, they are

going to be leaving the finances of this province in a very serious state of chaos, a very bad state.

I think this kind of budget is a testimony of the failure of this government's economic policy. A testimony also is the incredibly high number of people who are unemployed and the booming welfare rolls. When we see in the city of Winnipeg that over the last five years, since 1990, we have had welfare recipients in the city of Winnipeg go from about 8,000 cases to 17,000 cases, you have to wonder what is going on in the economy, you have to wonder who is steering this ship and the refusal of this government to come up with some innovative job creation program so those people are not wasting their skills, are not sitting at home but are in fact working to produce goods and services for the economy of Manitoba and are also able to pay taxes into the betterment of services that we all use.

So here we have a government that has had some of the highest deficits ever in the province trying to tell us that they are going to balance the budget, trying to tell us that they now have a magic formula when they are still subscribing to the kind of economic policies that are destroying this province and destroying this country.

They cannot continue on the same economic track of less government services, reducing taxes, privatizing services. We have to ask ourselves, where is this going to end? Wages are not increasing. The real wages for people are decreasing, and we are seeing the unravelling of our economy, the unravelling of communities.

We cannot get to the point, as this government seems to be heading, where everyone is going to have to pay user fees for health care, user fees for education and going to have to pay for every government service that is there to protect their health and safety, like getting their water tested.

That is the direction that this government is going in, and that is no direction for Manitoba.

We do not want to see that kind of a society here.

It is the vision of Canada, of Manitoba to have democratic governments who work for the benefit of all by collecting taxes in a fair way, collecting taxes in a way that is going to ensure that the brunt of our government services are not going to be borne by the people who require those services. That is what is happening when they do things like eliminating Student Social Allowances.

So the real alternative for balancing the budget must come from tax reform so we can get away from this shift of the tax burden onto individual citizens that we have seen in this country. We have talked about it over and over again in this House, Mr. Acting Speaker, where we have had in this country a tremendous shift of taxation from industry and corporations onto the backs of the average ratepayer, and now we are seeing that we have this fanaticism with the deficit which is compounded by this increase in taxation on individuals.

People are throwing up their hands because they are being overburdened with taxation in a very unfair way. So we have to end this lie about the deficit, and part of that is thinking that we can cut spending to balance the budget when we know that social spending and programs like health and education are not the problem and are not the reason.

It is the high interest rate policy. It is unfair taxes for corporations, and it is policies that have kept wages artificially low and have kept high unemployment. Those are the reasons that we have a deficit problem. It is not because of spending on social programs and on necessary government services like health and education.

So I also then want to caution the government in their move to more and more unfair taxes that the move to lotteries funding and VLTs, which can be termed very lucrative taxes, are not fair ways of raising revenue. It is hurting families in

Manitoba, and this is not the way for governments to raise revenue. Gambling cannot replace fair taxation and honest taxation by a government that is going to have a sense of justice and equality.

So the ministers on the opposite side, though in cabinet, are actually admitting then that they have a problem on the revenue side because they have had to engage in this fantasy exercise of not accounting for the elimination of the Crow rate and not accounting for the decrease in transfer payments from the federal government and relying on this lotteries revenue. They have admitted that they have a problem on the revenue side.

I talk to constituents regularly who say to me that they do not mind paying taxes if it is going to go for decent services and if the taxation is going to be done in a fair and democratic way so that we share the burden of taxation, and I hear over and over again, including at the board meeting yesterday for the Transcona-Springfield School Division where people do not want to lose their public education system and they want to ensure that it is going to remain accessible for a high-quality education.

We have had a number of institutions across this country that are now being threatened by the federal Liberal government, institutions like the CN Rail and CBC, the Wheat Board, all of these things we are now threatened with losing across this country that have knit this country together, that have shown that governments can intervene for the benefit of the entire country and create a system that is going to benefit the entire country.

It is sad that we have governments that are buying into the corporate agenda, the pressure by the money markets to move away from this kind of approach where a nation can work to have its regions interdependent and create a system that is going to benefit the entire country rather than pitting one region against the other, as we are seeing with this drive for competitiveness. We are going to see more and more, I think, fights

over resources, over shipping of goods and services as we are seeing now with the potential strike regarding the port shipments in the west coast of the country.

\* (1510)

Mr. Acting Speaker, the other thing that I find glaringly absent over and over again. I have talked about this regularly in various budget debates is the lack of recognition of this government for the serious impact of poverty on this province, and I have said before that their policies are actually increasing poverty in Manitoba.

The most recent statistics show that almost 200,000 people are living in poverty in Manitoba, almost one in every five of the population according to a 1994 National Council on Welfare study. Of this total, 60,000 are children, and Manitoba's poverty rate for children is at 22.4 percent, among the highest in the country.

The poverty rate for women is over 1.3 times that for men, and furthermore, the poverty rate for single-parent women is 58.4 percent nationally. The poverty rate for children of single-parent mothers is a staggering 64 percent in Manitoba. Almost one in five women over 65 live in poverty.

This is given no recognition by this government. They have eliminated program after program, underfunding child care, eliminating Student Social Allowances, eliminating ACCESS programs. All these programs that are supposed to allow people to get out of the cycle of poverty and into the workforce have been eliminated by this government.

The incidence of poverty among aboriginal people is also shockingly high for very significant and historical and institutional reasons, which must be addressed if poverty is to be eradicated.

We cannot just focus on this fad of child poverty, because there has to be a recognition that poor children come from and live in poor families. There have been a number of international declarations about child poverty, which Conservative governments and Liberal governments have signed onto from Canada, and then they have turned around and implemented economic and social policies that are contributing to the poverty of families.

There are almost 49,000 people on social assistance in Manitoba. About 14,000 families are reported to be relying on food banks. I can say that recently I visited a food bank through a church in my constituency in East Kildonan, and I was appalled to see the number of repeat users of food banks from certain demographic communities.

We can see that there are some very serious demographic trends happening in terms of the use of food banks and poverty, and that has to be addressed.

Thus in 1980 the incidence of poverty among women over 65 was over 41 percent. The rate has fallen dramatically because of government assistance, which now accounts for 90 percent of their total income. Poverty though is only the flip side of growing inequities in income and wealth in Manitoba. As the poor have become poorer, so the rich have become richer.

Between 1988, when the Conservatives came to power, and 1992, the last year for which figures were available, the number of people earning more than \$70,000 per year increased by 60 percent, or over 6,000, while the incomes in this group rose by 50 percent, to \$1.3 billion after taxes.

What this is showing is that, and I have said this before as well in the House, there is becoming this widening gap between the haves and the have-nots in this province. It has been exacerbated by the taxation policy of the Filmon

government and by their other economic policies. The previous Finance minister admitted in '92 that he had a rationale for cutting spending and holding down wages. It would be necessary, he said, if Manitoba is to be competitive with the United States.

That is the kind of attitude that has contributed to this loss of government services as we race to the bottom by reducing government revenue and we end up creating a very, very large number of people who are living in our communities who are very poor.

The Minister of Finance thought that the rewards would come from higher growth rates in income and employment in '92 and '93, and this did not happen. The real GDP growth in those years was minimal, while the unemployment rate at the end of '93 was well in excess of that in '91.

Their policies, again, are proving not to work. They have not had accurate projections in other budgets and now they have had the most wild projections for a balanced budget that we have seen so far.

In the second budget, they reduced income taxes by \$61 million per annum, and some \$20 million of this probably ended up in the pockets of those earning less than \$30,000 per year, but two-thirds of it benefited those earning more than that amount. So we can see the inequities in their policies and how, as I said earlier, they are not doing any favours for people who are low-income earners.

Any benefits that were gained through changes in income tax were reversed by the introduction in 1993 of the sales tax. They continue to refuse to put money into job creation, and they have done other things, like reduce funding for daycare by 7 percent and reduce funding for post-secondary education by 22 percent in last year's budget.

Mr. Acting Speaker, the point I think in all this is that we do not have a government that is

going to address the inequities in our communities, in our province, but they are putting in policies that are going to exacerbate those problems and those inequities and those injustices and continue to think that we are going to have some fairness come out of having further deregulation, fewer government services and more privatization, and that is just not going to happen. Those policies will continue to create greater inequities in our society.

I want to talk a little bit as well about a couple of other areas where we are seeing these inequities start to take place because of the cutbacks disguised as reform. Mr. Acting Speaker, this is happening clearly in education, in health care, in housing, and I also want to talk a little bit about transportation.

In education we are seeing a policy of cutbacks and the creation of chaos in the system by three different ministers going in three different directions. I cannot believe the attack by this government on public education. In my own constituency—I represent a constituency that has two school divisions in it. They have been forced to use the reserves that they have accumulated in the River East School Division, and they are reporting that with this budget they are using over \$500,000 of their reserve. That is accounting for a .9 percent decrease in the revenue from the provincial government. So, while they chastised the federal Liberals for offloading, they do that themselves to the municipalities and the school boards which are struggling to provide decent public education.

In this River East School Division in Radisson, one of the most serious losses has been the loss of the learning centre. Now this is the kind of program that we need to be investing in, Mr. Acting Speaker, a program that for six weeks will take children who are having difficulties in reading and will give them a half a day of intensive, more individualized teaching and tutoring so that they can then re-enter their regular classroom and be caught up. It was a program that was shown to be tremendously

successful, and it is the kind of program that is being eliminated because of the cutbacks to the tune last year of really almost \$30 million from this provincial government.

They have this attitude that education is like a factory, and they keep using words in their documents like uniformity and standards. They want, it seems, to have all these children entering the system and having exactly the same kind of program delivered to them and then coming out in the end with their assigned little position they will take up in our society and our economy.

\* (1520)

Parent after parent is telling me that they reject this. They do not want that kind of narrowing of education. They want their child to be treated as an individual learner. They do not want to see further loss of programs that are providing that kind of support. We have lost resource teachers; we have lost nurses; we have lost counsellors; we have lost ESL teachers. We have lost all those supports under this government in our schools that are keeping kids in schools, and then what do they do? They have also given teachers the opportunity to suspend students. After putting all of these pressures on teachers in the classroom with increased class sizes and decreased supports in the schools, the answer by this government is to expel children who have problems. Mr. Acting Speaker, that is no solution.

The loss of programs like New Careers, like Student Social Allowance, like the ACCESS program, like bursaries, are part of the attitude of this government in terms of creating this mean-streets economy and not recognizing that governments can work to assist individuals to give them a hand to participating more fully in our community.

The increases in tuition fees as a result of cutbacks at the federal and provincial level are going to make post-secondary education inaccessible for the majority of Manitobans.

This is a very serious threat at a time when we know that a greater and greater percentage of jobs—I have heard as much as 85 percent of jobs in this future, more technological economy—are going to require more than five years of post-secondary education. We are going to have fewer and fewer people able to access those jobs. What is going to happen is, we are going to have more mobility in communities. We are going to have more and more families who have their children move away to go to school and to go to work and that is another legacy of the kind of economic policies that we have had from Conservative and Liberal governments.

We want to have children in schools exposed to a variety of subject matter so that they have some sense of what their choices are. We do not want to narrow choices for children. We want young people to see a broad world and have the opportunity to make informed choices about as many areas as possible. We want them to make good choices based on having sound basic skills in reading, in writing, in science, in mathematics, in understanding the geography and the history of not only their home communities but the world. We want them to be able to make sense of an ever more complex world.

Mr. Acting Speaker, this cannot be done when children are not healthy. This cannot be done when children are not being attended to in terms of nutrition, when they are not getting adequate sleep, when they are exposed to high-stress families or abuse in families, and I do not understand a government that would choose to eliminate mandatory health education from kindergarten to Grade 8. A government that abandons health education from kindergarten to Grade 8 is not recognizing that a child, to be a successful learner, must be a healthy child.

They have also, as the minister I think has admitted, not recognized the importance of some of the programs like physical education, like music and drama and art, which make children see another side of education to keep them interested, to allow them to express themselves

and develop their creativity and to give them some added meaning to their lives. There are many young people who say they stay in school because of those programs.

I do not think we can have a government say we simply cannot afford those things any longer when that is what is keeping students in school. We have had a government in education that has tried to do a number of things like the boundaries review. They have introduced, I think, unrealistic time lines for changing curriculum and doing teacher reviews when what we need to see is a fair funding formula in education. We cannot just move around lines on a map without recognizing that fundamentally we have to ensure that funding formulas are fair.

In Transcona, we have the lowest spending per child in the city of Winnipeg, I do believe. We also have the lowest value in houses for assessment, and this is an area that with some of the proposals by the government in terms of the boundaries review, will have some of the highest tax increases in the city. That points to the fact that currently there are problems with the funding formula that is being used in education.

In Transcona, the budget that was recently passed is going to continue to see the loss of important services. They are going to lose approximately five teachers. They are going to lose a career development centre, the elementary industrial arts program, the child guidance clinic learning centre. There will be no more funding for field trips. There will be fewer bus routes and a loss of other-division van couriers. I am concerned at decreased supports for those in the system that need it most. There has to be recognition for the needs of students, and you cannot treat them all the same in terms of their educational needs. There are significant inequities in the current system of funding education.

Mr. Acting Speaker, can you tell me how much time I have used? I have seven minutes left?

This morning I visited a couple who live in Radisson who talked to me about their concerns about health care. This government has had no vision in health care. We want to see health care reform that is going to mean community-based health care, more preventative health care, a greater variety of professionals involved in delivering our health care system with a definite increased expanded role for nurses. We want to see a recognition in our health care that—health care is also about safe food, safe water, a healthy workplace and the ability to have a safe home life. So there are relationships for health care like housing.

I recently wrote an article which listed the cutbacks from health education by this government, and we know, even though they talk about increases for personal care homes and for home care, the fact of the matter is they have eliminated supports in the community for people who need it.

I want to give one example of how this government's policies are dramatically interfering and reducing the health of Manitobans. They are now sending women home after they have a baby after 24 hours in the hospital. This is really damaging the success rate of nursing mothers. The breast-feeding ratios for the province of Manitoba have plummeted. This government has not supplied the resources into the communities so those women can have support to successfully nurse their babies at home. They have not had enough time to successfully begin nursing in the hospitals. That is going to have ramifications on these young children and these babies for the rest of their lives, because we know that babies are much more healthy when they are breast-fed for up to a year.

We have proposed a healthy child program which will take into account that prenatal and postnatal care. You cannot send women home from the hospital 24 hours after giving birth and expect them to successfully adapt to nursing a baby with no supports and perhaps going home



to other children that are going to make further demands on them.

\* (1530)

Mr. Acting Speaker, I have only recently become the Housing critic. It is clear to me that this government has a very unbalanced approach to dealing with residential tenancies issues. I have visited with people who have been through incredible grief and stress because of the way they have been treated by the Residential Tenancies Commission. That process has to change. We have to have a commitment to public housing as well. We have to stop the threat to public housing by the federal Liberal government, which is going to turn public housing into slums, which is going to prevent further development of public housing as a secure and stable and safe alternative so that we can have people benefit from safe housing so they can have stable neighbourhoods and greater health for their families.

It does not make any sense, Mr. Acting Speaker, when we have had the kinds of policies that this government has put in place where they continue to supply welfare to slum housing, to absentee landlords, and we are keeping people in unsafe, unhealthy housing.

I want to take a few minutes to wrap up with some comments about what is happening with our transportation sector. The selling of CN and the loss of the Crow rate is going to devastate many sectors of the economy in Manitoba. It is going to have huge impacts. The loss of the rail Traffic Control Centre is going to have a huge impact on Manitoba.

We are the centre of the country. It makes sense for us to be a transportation hub. We have to have some commitment from a government in Manitoba to fight for this industry. We have had silence from the government opposite as we have lost over 3,000 rail jobs in the last six to seven years under this government. Now we are losing the rail Traffic Control Centre, and again we

have had no intervention or no position of working with those workers employed with the rail industry to ensure that we do not lose those jobs and we do not lose that important sector in Manitoba.

I will conclude by saying that this week I was at the CN shops and we were talking to people as they were coming into work, and something that happened this time has never happened before, where a fellow came up to us and asked for some material that we were handing out. He did not work for the railway, he worked for a steel company. He talked about the effects that the loss of CN, the privatization of CN, was going to have on their industry.

Mr. Acting Speaker, in conclusion I just want to say that this budget is a sham, that people are not going to accept the kind of fantasy Filmon economics with gambling revenues to balance this budget at the same time when they are going to be studying gambling. I am going to go to the people of Radisson and make that very clear to them. I look forward to returning to this House and returning with a new government, with a New Democratic government that is going to be fair, that is going to deal more straightforward and honestly with the people of Manitoba. Thank you.

**Mr. Bob Rose (Turtle Mountain):** Mr. Acting Speaker, just a brief comment on the previous speech. I was disappointed not to hear the position of the honourable member for Radisson on the PMU industry in Manitoba.

Mr. Acting Speaker, I dislike prolonged good-byes, and my thanks and appreciation and humble observations were made last December, so I am not going to do it again today. I do appreciate though the kind words that have been directed my way since my announcement not to seek re-election. Some of them have been so kind that if I had known I was so good before, I might have had another crack at it. I guess it is a bit like a funeral. They say the good things about you when they are sure you are gone.

I am very conscious of the second opportunity, if you like, and the great honour that it is to have this opportunity. Sometimes familiarity with this Chamber causes us to lose the sense of the rare opportunity we have as a tiny group of elected Manitobans to debate and to make the laws of our province. Perhaps that is because, as the old saying goes, that when you are up to your ankles in alligators, you forget that your original aim was to drain the swamp.

I am conscious, Mr. Acting Speaker, of having the opportunity today to debate in this House at this historical moment, to debate the first budget in almost a quarter of a century which produces a surplus, and to have the opportunity to debate in this Chamber on the day after balanced-budget legislation received first reading—balanced-budget legislation, that will not only make deficit financing against the law but also provides financial penalties for elected people who cannot make it work.

This I think addresses one of the growing frustrations which the public have with politicians, and that is that they tend to be financially immune from their own decisions, whereas most of us as ordinary citizens have our financial situation very much affected by our own decisions.

The public is also frustrated with cavalier increases in major tax rates without an opportunity to pass judgment. You can argue that the public has a referendum every four or five years and a general election, but rarely does a political party run on a platform of tax increases. If they do, rarely are they successful.

Some say that the public will never agree to tax increases, but do not underestimate the capacity of the public to understand and accept tax increases provided that the need and disposition of the extra revenues is clearly defined. However, Mr. Acting Speaker, we are not debating that particular piece of courageous legislation at this moment but rather the 1995-96

budget for our province as presented by the Minister of Finance (Mr. Stefanson).

I think it is appropriate or understandable that on such an occasion as this, such a debate as this, such a momentous and historical debate as this that people should become very eloquent.

I noticed that in his presentation the member for Niakwa (Mr. Reimer) was busy quoting Shakespeare. It inspired me to also look for a Shakespearean quote that I believe is very fitting to the situation that we are in this week in the Manitoba Legislature.

Many of you will remember from Julius Caesar in your high school: There is a tide in the affairs of men—and I apologize to those few people who might be offended by the choice of words, and I point out to you that men in this case refers to species not gender—there is a tide in the affairs of men which taken at a flood leads on to fortune. Omitted, and I want the opposition members to pay particular attention to this: All the voyage of their life is bound in shallows and in miseries. On such a full sea are we now afloat and we must take the current when it serves or lose our ventures.

I do not suppose that Shakespeare was thinking about Manitoba in 1995 when he penned those lines, but it is very, very fitting, I believe. The ventures he refers to of course are the ventures of the social programs that we have in Manitoba that we are certainly in danger of losing if we do balance our budget.

\* (1540)

Mr. Acting Speaker, it is easy to balance a budget. It is not a complicated process. You can do it like they have done in Alberta by slashing expenditures, or you can do it like they have done in Saskatchewan by increasing taxes to a punitive rate and closing a few hospitals besides, a few, of course, being 52, I believe, in rural Saskatchewan.

Or you can do it as we have done in Manitoba, working gradually and carefully towards a goal, close no hospitals and raise no major taxes, but rather reorganize, prioritize, work in a hundred different, relatively small ways towards the same goal until, finally, revenues exceed expenditures. It is like building a house, and I thank the Minister of Housing (Mrs. McIntosh) for using this analogy in her presentation the other day, because it fits in, I believe. It is like building a house, and I think we have all been part of that process from time to time, but in building this house in Manitoba, a good, solid, safe, secure house is not built overnight. A good, solid, safe, secure house with rooms for all the varied interests of Manitobans without a crippling mortgage payment—that takes time and planning; seven years, in fact, because this house was begun in 1988.

Manitobans might want to pause and thank Jim Walding for digging the footings, and Manitobans will recognize that the foundation was poured when Premier Filmon and his team were elected in 1988.

Mr. Acting Speaker, it is just like building any other house. There are setbacks, frustrations, cost overruns, mistakes and very, very, very difficult decisions to be made; and, like building any house, there is the requirement and the frustration of bringing all the tradesmen together, because while government is the architect of this house, hundreds, thousands of Manitobans have been the builders—health, education, municipal officials looking for better ways to spend scarce tax dollars.

They and hundreds of other Manitobans have been part of building this house, and they have been part of watching the steady progress, progress that we can follow since the building began, a steady drop in the last few years in the number of business bankruptcies, a steady drop in the number of farm bankruptcies, a steady drop in the number of personal bankruptcies, a steady increase in personal income, but, more

importantly, a steady increase in personal disposable income, accounted for by no major tax increases in a growing economy.

It is interesting to note that while opposition parties strive mightily to paint the Progressive Conservatives as a party of big business and special interests, in Manitoba, those on the lower-income scale fare better, much better, than those in most of the other provinces.

Speaking of special interest groups, I note that this union publication has a new cover boy, a new pinup, but still an old champion of their special interests.

Well, Mr. Acting Speaker, there is cause for celebration this week because our house, seven years in the building, is completed, with the first budgeted surplus in about a quarter of a century. There is cause for celebration as well because this house that we have built will become a home with a very effective insurance policy—balanced-budget legislation—to protect it from destruction in the future.

Mr. Acting Speaker, I entered this Chamber not as a particularly partisan politician, and I hope to leave it the same way. I admit to occasionally yielding to the temptation of the odd shot at the opposition benches, but that is only in the spirit of friendly advice and constructive criticism. I have a good deal of respect for people who support the Liberal Party, and I have to do that because I am married to one.

I am going to take this opportunity today to offer a little bit more constructive criticism. Someone referred the other day to the provincial party as the junior Liberals. I thought that was a fitting observation. It conjures up visions of the farm team or the bush leagues where the participants toil in hopes of promotion to the big leagues.

We have several examples to support this notion. We have a former member of this

Chamber, Lloyd Axworthy, who spoke eloquently here of our uniquely Canadian social safety net and who went on to engineer at the federal level its demise.

We have the former Leader who spoke eloquently in this Chamber of the cynicism of patronage and went on to the national level to fight the battle of patronage from within.

We have the former member for Osborne who spoke eloquently in this Chamber of the Mulroney administration, crooks I think he called them, as they offloaded federal responsibilities to the province.

**An Honourable Member:** Where is he now?

**Mr. Rose:** Now he contentedly munches sandwiches at the federal level while his government gets into offloading big time.

We have the former member for Crescentwood who spoke eloquently in this Chamber of many things but abandoned his constituents to join the editorial board of the Liberal franking piece in Manitoba.

Most of the members will recall an emergency debate in this Chamber on June 9 of last year, a debate in response to the musings of the federal Minister of Transport that the Crow would go. Most of us knew the need for that emergency debate because we knew the economic devastation that it would cause in western Canada, particularly in Manitoba, if it was not done in an orderly and a gradual fashion. Now, less than a year later our greatest fears are realized. Six weeks before farmers plant their 1995 crops they learn that this hundred-year-old benefit is gone, not in an orderly or gradual fashion, but gone.

It is interesting to note comments from the Liberal benches in that emergency debate last June. The member for River Heights said not to worry, and I quote, ". . . there has not been apparently any discussion at the federal cabinet

table about this particular matter. I think we have to believe the Minister of Agriculture, Ralph Goodale, who says this has not yet been brought to cabinet for a decision-making process."

We had the member for Crescentwood, who said, not to worry. The member for Crescentwood said, these individuals are working very hard to secure individuals such as Marlene Cowling, who probably knows more about agriculture than many members on the front bench of this particular government. Those individuals will definitely take the message of farmers to Ottawa, have no doubt about that.

Then we had the member for Inkster (Mr. Lamoureux). The member for Inkster said, not too worry, and I quote the member for Inkster last June, I have confidence that the members of Parliament that represent the province of Manitoba will do likely what the provincial Liberal caucus will do, and that is to express the needs and the requirements and what is in the best interests of the province of Manitoba, first and foremost.

The member for St. Boniface (Mr. Gaudry), I believe, said, we will stand up for farmers, and the member for The Maples (Mr. Kowalski) said, not to worry, this is such an unimportant debate our Leader is not even going to take part. He has more important things to do—out looking for bigger potatoes, I suppose, or bigger fish to fry. He did finally have a response, the Leader of the provincial Liberals, though, after the federal budget confirmed our very worst fears. He said, and I quote, that is fair.

\* (1550)

Provincially, Mr. Acting Speaker, we have worked to have these changes in an orderly and a gradual fashion, with adequate compensation for a loss of a century-old program so adjustments could be made. A committee of all farm groups who are interested, some with opposite interests, they worked to hammer out a

position for Manitoba, a position taken to the federal level prior to the budget.

This committee met again as recently as last Friday to reach a consensus of response, and predictably perhaps, the NDP refused to sign on because they disagree with any change. This, in my mind, is a bit like refusing to take part in altering the course of the Titanic because the iceberg should not have been there in the first place, but at least it is a position.

The provincial Liberal representative, and I get this secondhand, I understand, refused to sign on because the position was mildly critical of the federal Liberals.

Mr. Acting Speaker, we are elected in our ridings as representatives of a particular political party, but I think we all agree that once elected, we represent all the people in our ridings, so on behalf of the 2,000 or so people in Turtle Mountain who vote Liberal, indeed on behalf of all Manitobans, some friendly advice to the junior Liberals: For goodness' sake, stand up for Manitoba. The essence of the debate we are engaged in is partly the opportunity to respond to other viewpoints. There have been a number expressed in the last few days that deserve response. Let me address a couple.

The honourable member for Burrows (Mr. Martindale) is a thoughtful and a telling debater, although I believe we could hope that he might find someone more credible to quote than Tim Sale. The member suggested that he knows more about human nature than members on our side of the House. Far be it for me, Mr. Acting Speaker, to challenge that statement on an individual basis. Let me assure the member that many, many professions in our society rely on an understanding of human nature to be successful.

I think back to my modest involvement in the farm supply business. Like most business people I knew that to be successful it is necessary to persuade people to buy your products and your service, and understanding

human nature goes a long, long way in that regard.

I can give you lots of examples from my own experience. I think I have one favourite that I refer back to. Most of you are probably familiar with the farming community that wear their hats with a little bit of advertising on the little caps. We, of course, were involved with that and handed out these free caps. We had boxes and boxes full, and they cost us 90 cents apiece or something like that. When we did that, we usually did it when the customer paid their bill, and we also spread the rumour around the community that when you were looking at somebody wearing that hat, you were looking at an honest man.

One year it became apparent to me that one of our oldest and best customers was extremely cold in his attitude towards us. I had difficulty figuring out what this was all about. I checked back as best I could through our records and could find no reason why he should feel that way about us.

Another one of the sales techniques we used to do was to occasionally finance someone to sit in the pub on a rainy afternoon, or the coffee shop, to find out what people were actually saying about us. Through that method I was able to find out that I had given a hat to someone that lived in town.

I thought that was a most interesting comment on human nature and how careful you have to be when you are in the business of selling things to other people. Here is a person, a loyal customer that would put up with prices that were not always competitive. He would put up with product that was sometimes lumpy. He would put up with service that sometimes lacked what it should have, but goldarn it, you do not give a hat to somebody that lives in town. That is your badge of courage I guess as a farmer. There are many, many examples of how you have to know about human nature to be successful.

I think it might interest the member for Burrows to know that many people, including me, believe that kind and gentle socialists who long for a kind and gentler world are in fact naive about human nature, but I do share their optimism that human nature can be changed. As evidence, I look to his experience, and I quote from Hansard, the honourable member for Burrows (Mr. Martindale): "My personal experience with my neighbours was that even though they had lots of money in the bank they would not pay to provide services for themselves that they should."

It caused me to remember, Mr. Acting Speaker, many years ago when my father was reeve of the local municipality and would come home in despair because destitute families were too proud to accept assistance. That is quite a swing in the pendulum, is it not, from people who would suffer from pride to people who would suffer because the government will not pay for things they can afford themselves.

I would suggest that just as society had to work very hard many, many years ago to assure people in need that there is no shame in accepting help, we must now work equally as hard to assure people who are fortunate enough to be able to, that there is satisfaction and dignity in, at the very least, taking responsibility for oneself.

Mr. Acting Speaker, we also always enjoy the debate from the honourable member for Broadway (Mr. Santos), and I quote from his speech a few days ago. The honourable member for Broadway said, among other things, "I always believed that the essence of politics is the ability to recognize what is morally right and wrong. If the decision makers do not recognize that it is morally wrong to base their own fiscal policy on age-old gambling habits of people, then I say, this is the beginning of problems and trouble in our society."

Well, I applaud the honourable member's attempt to follow the moral high ground, but I

would hardly call 3 percent or 4 percent of the revenues of this province as the basis for our fiscal policy.

I remind him, as did the honourable Minister of Government Services (Mr. Ducharme) the other day, that it was his party that lowered the drinking age, the legal drinking age, in Manitoba to 18. I do not know where the member was at that time, but I know where I was. I was a school trustee at the time, and I know that I and a great majority of my fellow trustees vigorously fought this losing battle.

It was because we knew it would effectively put alcohol in the schools to a far, far greater degree than before, because we knew there would be social costs, not the least of which was an increase in teenage pregnancies, because we knew that young people, as they went through the natural and normal development to adulthood, the alcohol would reduce their inhibitions, because we knew there is considerable truth in Ogden Nash's little couplet: Candy is dandy, but liquor is quicker.

I do not know, Mr. Acting Speaker, what portion of the \$140-million revenue from the Liquor Control Commission in this budget will come from kids, 10, 12, 14 years old or what the social cost is, but, just as the NDP did, revenues from alcohol will be used to balance this budget.

I point also to the \$120 million from tobacco revenues that will be used to help balance this budget or to pay for the expenditures of the province, and even those of us who personally contribute mightily on a personal basis to this tax, I do not think any of us would argue that we should lower those taxes to contribute to the young people's acquiring this particular addiction.

So, if the member for Broadway (Mr. Santos) is concerned about raising provincial revenues on what he perceives to be morally right or wrong, he is a little late in imposing his brand of morality on the free choice of our citizens.

\* (1600)

Mr. Acting Speaker, I can think of no better way to close than to quote from our own Minister of Finance (Mr. Stefanson) in this historic budget. Some say it is an election platform, and I think probably they are saying that from envy. They are saying that because the minister's words are not only based on goals for the future but backed up solidly by seven years of performance.

He said the reasons for optimism are legion, Mr. Acting Speaker, and I am quoting the Minister of Finance: "We will not increase major taxes. We will protect vital public services for Manitobans. We will ensure our economy creates more jobs for Manitobans. We will continue to balance the budget. We will pay down the province's debt. We will develop an education system where success is determined, not by how much we spend, but by how much our children learn. We will ensure that Manitoba is a place where all are safe and secure. We will provide a climate for investment and economic growth that is the best in Canada."

All of those things, I believe, Mr. Acting Speaker, are not so much a platform but a record, a record that we can build upon in the future.

Finally, Mr. Acting Speaker, he said, and again I quote: "We will provide a stable and competitive environment in which Manitobans can dream their dreams and pursue their excellence with pride."

I can think of no better way to sum up the feelings of the vast majority of people in Turtle Mountain in their relationship with government than to ask for the opportunity to pursue their dreams and pursue their excellence with pride.

So it is with pride and honour and personal satisfaction that one of my last opportunities to stand and be counted in this Chamber on behalf of the people of Manitoba will be to support this budget.

**Ms. Avis Gray (Crescentwood):** Mr. Acting Speaker, it is a pleasure for me to rise a few days before the next provincial election and have an opportunity to put comments on the record about the budget.

Before I begin my comments about the budget and make some comments about my thoughts about this particular budget, I would like to again comment on the leaving of some of the members of the Legislature, those members who have decided to move on to other endeavours and are leaving this Chamber under their own volition. I think I did make a few comments in the last session because we were aware of some people leaving, but certainly the member for Dauphin (Mr. Plohman) and the member for Morris (Mr. Manness) and the member for Riel (Mr. Ducharme) and the member for Turtle Mountain (Mr. Rose) who are all leaving and, of course, the member for Pembina (Mr. Orchard).

I did want to make a few comments about my dealings in this House with the member for Pembina, because I had the opportunity during his tenure as Minister of Health to be the deputy Health critic and, more recently, the Health critic. I must say that one thing I always admired about the member for Pembina was his ability to leave the adversarial nature of the Chamber in the Chamber and, once we were outside the Chamber, it was very much a personal social relationship.

I always admired that in members of this House for the ability to know that in this Chamber it tends to be adversarial—that is the nature of the game; there is a lot of banter back and forth, a lot of arguments and discussion about policy and a lot of disagreements, a lot of strong statements—but once we are outside this Chamber and this House, there is a cordial relationship. I share that with a number of members from both parties in this Legislature, but I did want to make a particular comment about the member for Pembina because I certainly appreciated that particularly when we

were arguing back and forth in Question Period about matters of policy. I did appreciate that.

I wanted to make some comments about this budget, and I wanted to follow up a little bit on the comments from the member for Turtle Mountain (Mr. Rose) who again had a very eloquent speech, similar to his response to the throne speech, and so I was very much interested in the comments that he had to say today.

I found it interesting—I wanted to talk about the budget, and there is no question that we are pleased as Liberals in this House that in fact the government has managed to balance the budget. This is something we have called for for a number of years, and so it is an historic step. The member for Turtle Mountain indicated that, and it is.

I think the people of Manitoba and what the people have been saying to me in Crescentwood, what people have been saying to me as I have travelled in rural Manitoba, that we have large deficits in the province of Manitoba. We have a large deficit in this country of Canada. We want to ensure the priority services in health and education, and we want to ensure that economic development and jobs are maintained here in Manitoba and across this country of Canada. The fact that we need to look at reducing our deficits and removing deficits and then moving toward getting rid of the debt is going to be very, very important. I think that is something that most Manitobans share.

There would be a few people who would be of a very much left-wing persuasion who would be of a view that the deficits are not real and the debts are not perhaps as real and that we can continue to spend indefinitely and that the resources are indefinite. There are a few people who certainly believe in that.

I am not even suggesting the members of the New Democrats in this House. I am talking about people from a very, very left persuasion who believe that we can continue to spend and

that in fact the deficits are imagined. They are not really there. I would suggest, Mr. Acting Speaker, that in fact is an irresponsible statement. We have a couple of economists in this country who teach economics at universities who believe that. I would suggest they are very much in the minority because governments recognize, governments of all political stripes, governments whether it is municipal, provincial or Canadian, governments recognize that we must get the deficit under control because we want to ensure that in the next five and 10 and 20 years, we will have the dollars and resources available to ensure that there is an education system worthy of our children, that there is a health care system and that there is a medicare system for all of us and that there will be economic growth and development here in the province of Manitoba.

Those goals are important, and I think it is very evident that all parties of all political stripes across this country are working towards deficit reduction and working towards debt reduction as well. I think this is why the recent federal budget had such support from across Canada, seven out of 10 Canadians who felt that the government was on the right track and that it was a very positive budget. I think the federal Liberals should be commended on their budget and should recognize that the people of Canada do support them in that. It is not an easy road, and it is not an easy task.

Mr. Acting Speaker, along with the balanced budget—it was very interesting. I have been out in my constituency throughout the last year and a half and, depending on what the issues of the particular day are, I have an opportunity to talk to people at the door and will ask them various questions. Because the budget here in Manitoba was just released, I have had the opportunity in the last few days to ask people what they think about the balanced budget. Certainly, people are pleased that in fact there is a balanced budget here in Manitoba. It is interesting to note that they usually put in the same sentence, about their concern about gambling revenues as being relied



on. They recognize that it is only 3 percent or 4 percent of the total budget, but what they are concerned about is—then we get into a discussion of gambling.

\* (1610)

Then the concerns come up about the fact that this government and governments in other provinces as well are actually spending a lot of dollars in promoting and encouraging people in their province to gamble. That is where some of the difficulty is.

With due respect to the member for Turtle Mountain (Mr. Rose), that is where I must disagree with some of his arguments. He talks about tobacco taxes; he talks about liquor and alcohol. Yes, we tax alcohol; we tax tobacco. But in fact there are very strict regulations and guidelines as to the type of advertising can occur in regard to those particular products.

That is not the case with gambling here in Manitoba. In fact, it is very much encouraged to the people of Manitoba, the idea of a lot of ads and encouragement saying, come out and join a club, come out and gamble. And then ads on television talking about the wonders of what the monies have done for us in lotteries.

I guess that if you are government, if you have the opportunity to say to the people of Manitoba, here is how we spent your money, that may be a laudable aim. But when dollars are scarce, do we actually take those scarce dollars and spend them on promoting ourselves as the government and saying, here is what we have done that is wonderful? That is a question that every cabinet and every government must ask themselves.

When the dollars are scarce, how do we use those limited dollars? Do we do brochures and pamphlets and advertising and say, look at all the wonderful things that this program has done for you, whether it is Grow Bonds or business? Some of those programs are good, but do we

advertise that fact or do we take those dollars and perhaps put them in a school lunch program or perhaps put it in another community program that relates to health or education?

Those are the tough decision that governments and cabinets have to make, and I would hope that as a future Liberal government here in this province that we would be able to make those decisions which would affect positively the people of Manitoba and certainly, for myself, the people in Crescentwood.

I did want to make a comment, Mr. Acting Speaker, and I probably talk about this in all the speeches I have given in the House, even including the first speech I gave in 1988. I want to talk a bit about the partisanship approach and how we deal with each other as politicians and the cynicism that still abounds in the public to some extent about politicians.

We have seen surveys and studies done about politicians and how they fare in the public mind. We get some of that as well when we talk to people on the street. But there is a bit of cynicism out there, and I think it is important and incumbent upon all of us as politicians to try to dispel that and to show through our actions and not just words that politics is and can be an honourable profession and that we are here to do the best job that we can for the people of Manitoba.

But, if people have an opportunity to listen to the comments in this Chamber and view Question Period, it is no wonder that in fact people do become cynical. I raise this issue because I think it is important that people get the best representation from all political parties that they can.

I find that people are tired of the very highly partisan, old-style political approach in terms of one level of government versus another level of government. It is very interesting that we have a government here in Manitoba and the Premier of the province who can stand up in this House

and condemn and criticize the Prime Minister of Canada and the federal government, and on the other hand, goes out of his way to get a photo opportunity with the Prime Minister.

Again, I think some of that hypocrisy and that criticism is very evident by the people of Manitoba. I think that the people are tired of that. They are tired of that hypocrisy. They are tired of the always combative approach between one level of government and another level of government. I think they want to see much more co-operation. I think in the last few days, and without mentioning names, some of the vitriolic and venomous remarks that have been stated in this House in fact go a long way to further make the people in this province cynical about politicians and the jobs that they can do.

I think we all need to work towards changing that so that finally high school students and elementary students, who come to this Chamber and view Question Period, can actually one day say in response to a question, "What did you think of Question Period?", they can actually say, I thought it was good; the people treated each honourable member with respect, and it was a very productive Question Period. It would be nice, at some point, for a group of students to be able to say that from what they viewed when they come here at Question Period.

One of the things that interested me in this particular budget—it is unfortunate we will not have the opportunity to actually get into the Detailed Estimates of the various departments because there are certainly very many questions that I would have liked to ask in post-secondary education and health areas, but I found it interesting that we saw, in this particular budget, a continuation of the grants to large businesses here in Manitoba.

I say that because I have heard from the president, for instance, of the Winnipeg Chamber of Commerce, Mr. John Granelli, who has publicly made statements at meetings that he has held with our caucus. He has publicly made

statements to—I believe, he spoke to the Finance minister Mr. Martin at a meeting in Selkirk and—this is before the federal budget—he talked about what kinds of things did the Winnipeg Chamber of Commerce see as important in an upcoming federal budget. One of Mr. Granelli's comments was that the Chamber was in support of removing and doing away with grants to big business, and he has stated that publicly.

David Friesen, who owns a very successful printing company in Altona, Manitoba, has stated the same thing, that he feels that governments do not need to be giving grants to successful businesses or businesses who in fact can go to a bank and get a loan if they want to expand.

They recognize, I believe, the businesses, that if there are limited resources we need to look at putting dollars in other areas. I am certainly pleased to hear that from organizations such as the Winnipeg Chamber of Commerce.

So I was somewhat surprised that in fact we saw an increase in that particular budget line here in the budget. I would have hoped that again with limited resources in dollars, we might have seen some of those dollars go into some other community-based programs in the area of education and in the area of health.

It is interesting that in the last three or four years there have been many discussions in this House about economic growth and development and the link to education. Certainly we on this side of the House have very often talked about the importance of education as an investment and not as a social liability. You cannot talk about economic growth and development without speaking about education. I think I recall the Premier (Mr. Filmon) standing up in this House and agreeing with us on that particular comment.

I found it interesting that, as one reads through the Budget Address, which was given by the Minister of Finance (Mr. Stefanson), as we

look at the area of Manitoba economy, jobs and economic development and building a stronger Manitoba, the word "education" did not appear at all in any context related to economic development and growth. In fact, the first mention of even the words education and health occur on page 13 of the budget statement, and then it was simply to mention a new infrastructure development in downtown Winnipeg.

Although this government says that there is an important link between education and economic development, again we do not see that showing up in even the documents when they are talking about economic development. I think that is a mistake. I think this government still needs to recognize that education is an investment, and when we have an educated workforce and a workforce who is here in Manitoba, that will assist us in terms of economic growth.

In fact, there is very little in this entire budget statement that really talked about Education or talked about Health, two of the largest departments that we spend dollars on in this province, and there is very little mention in the budget about initiatives that have dollars attached to them in the areas of education or health.

Again, it is, in some ways, unfortunate that we will not have the opportunity to go through the Detailed Estimates to find out exactly what priorities this government is putting in education and what priorities they are putting in the area of health care, which, again, are two programs that are so important to Manitobans and, in fact, who speak about them, I think, a lot. Not only do they talk about jobs and economic development, but they talk about education and health and crime and safety.

\* (1620)

It was interesting to note that the Minister of Finance spoke about the continuation of the

Home Renovation Program, and that program would be continued until December of 1995. Again, I was hoping that the government might have taken our suggestion, the suggestion of the Leader of the Liberal Party, when we talked about modification of this particular Home Renovation Program. There was a lot of money in the initial months of this program that was underspent. What people in parts of my constituency were telling me, and certainly what people were mentioning in other constituencies, the \$5,000 amount of money that someone would have to spend on a house was too large a sum of money for those individuals. Now, of course, for individuals who can afford to spend that \$5,000 or more, they did not qualify because their houses were more than \$100,000. I think this program certainly is designed for people who have homes within a range up to \$100,000 in terms of the property value, but a lot of those individuals are phoning up and saying, are there any other programs available for me, because I do not feel I can qualify for this Home Renovation Program. I do not have the \$5,000.

What we had suggested was, if some of these dollars are underspent and you feel this is a good program, and certainly constituents were saying to us they want to upgrade their property, use it as a loan program. Allow a loan for \$2,500 possibly and have perhaps \$500 down. Have a smaller amount of money so that some people could still participate in this particular program and upgrade their property. There is still time to do this. The government still has an opportunity to make some changes in that program and allow more people to participate.

I was pleased that the government, although they did not specifically mention it in this budget, but there are dollars attached to it, has announced that they will go ahead with the nurse-managed centres. I am pleased to see that this government is at least starting to implement some of the community-based health programs that they have talked about over the last six or seven years. I will not be cynical and say it is very close to the election and we still will not see

those nurse-managed centres until the fall sometime, but at least they are committed to going ahead with that concept. We were pleased about that because we support that particular concept. I look forward to seeing many nurse-managed centres and an expansion of the community clinic concept here in the province of Manitoba.

I was also pleased to hear in the capital program which was announced today that this government will be moving ahead to develop 25 acute psychiatric beds in the Brandon Hospital, again as part of the transitional plan and a move from the institution-based Brandon Mental Health Centre to a community-based mental health program. The need for acute psychiatric services was part of that plan and it was necessary that there be the beds built in the Westman area, so I am pleased to see the Brandon Hospital will see those acute psychiatric beds, because they are necessary.

I am pleased to see that this minister is still going ahead with that transition of people from Brandon Mental Health Centre to the community. What has been very important in all of this, and I think the first objective in this plan or transition period is that of course we have to ensure that there are the appropriate services and supports available for those individuals who have been residing in the Brandon Mental Health Centre and who will now be moving out into the community areas and wherever those communities will be in the Manitoba area. It is important that the project be slow enough or that the project be appropriately resourced so these people are not moving into communities where there are not the supports to assist them to live in the community areas. That is important. That is the No. 1 issue, I think, in this particular plan to close the Brandon Mental Health Centre.

The second goal of that particular project and the second concern of this government has to be the assistance of the employees who will be affected by this move from the institution to the community. I understand that some of the

employees have moved into community jobs, particularly some of the nurses, and will have the opportunity to work in the Mental Health Services in the community. That is good, but there is another group of employees and individuals where perhaps it has not been indicated to them what type of job opportunities will be made available.

It is going to be so important that that transition and that assistance and worker readjustment be done appropriately. There needs to be full communication to those employees. There needs to be full assistance, whether it is in retraining or assistance in getting other jobs, and they need to know what every step the process is.

I had an opportunity to meet with some of those individuals at a meeting in Brandon a couple of months ago, and, again, this is one of their main concerns is, how am I going to be assisted to have a job in the community? Will there be assistance with retraining? Will I have a job? These are fair questions that these people are asking, and the government needs to ensure that in fact this transition is carried on in a very meaningful way and will assist the employees as well.

We still support that plan, and we do not support keeping the Brandon Mental Health Centre open. I was very amazed actually that the Leader of the New Democrats (Mr. Doer)—and was amazed that his Health critic actually was silent on this issue—is supportive of the fact that we should still keep part of the Brandon Mental Health Centre open. We know, in fact, that all people in the mental health field—people who are with self-help groups, who are with Canadian Mental Health Association, people who work in the provincial government, families and people who have had mental illnesses themselves—support this move from the institutional based into the community. We need to ensure that support is there and that particular program continues and the transition continues in an orderly way.

One of the concerns of this seems to be with the Department of Health right now, and it seems a little unusual that we are now talking about how you plan within the Department of Health and move towards community-based services. That seems to be something the department is now looking at. I think the department should have looked at that years ago, unfortunately.

(Mr. Speaker in the Chair)

What community-based clinics such as Village Clinic, which happens to be on Corydon Avenue in my constituency, what some of these community-based services are saying: We want to be part of health renewal; we want to be part of new health services in the community; but we need some assistance from the department to know what the plan is, what the overall plan is.

Is Winnipeg going to be divided up into five or six mini regions and various community clinics are going to be responsible for delivering those community-based services? What exactly is the plan?

I think that is what is missing from the Department of Health right now; there is not that clear direction and assistance that can be provided to places such as the Village Clinic, Mount Carmel Clinic, and to other areas of the city. They need to know what the plan is.

Let us be up front. Let us be clear. Let us tell the people who work in health care. Let us tell the organizations and the groups who are involved in health care what exactly the plan is. That is missing and, albeit late, it is very important that plan be put in place and it be well communicated with groups and agencies.

I noted with interest that under the Home Care Assistance line in this budget that the dollars spent in Home Care Assistance last year compared to the dollars that are allocated for this year's budget are exactly identical. There has been no change. There has been no decrease, and there has been no increase.

Now, there may be a number of reasons for that, but we are certainly hearing out in the community that it is still harder to get home care services in the community. We are also hearing that hours have been cut back. We are also hearing that people are being discharged from hospitals earlier, and with those discharges from hospitals, there is the requirement that there will be more services that would be put in place.

Now, these services that will be put in place tend to be more expensive, so that would mean that with the Home Care Assistance line, one would think, you would probably see an increase in that particular line in the budget, because more complex care usually means more expensive care. Nurses and home care attendants are more expensive than home support workers.

So I question why we see in the Home Care Assistance line no increase at all in that particular area. Even in the salary increases on a cost-of-living basis, one would think that particular line would increase. Now, one of the reasons for that—or there could be a couple of reasons for the no increase in the Home Care Assistance line.

\* (1630)

One may be we have fewer clients who are in the Home Care program. Again, I would find that interesting. Given we have an aging population, and, in fact, we are discharging people from hospital earlier, why would we have less people on home care? The other reason might be, in fact, the criteria for how to get home care services are much stricter, so that is why we have fewer people in the Home Care program.

So, again, I wonder why we have seen no change in that line. The only other possible reason might be we are going to see a contracting out of the home care services, but, again, I am not sure where within the particular Department of Health budget we might find where those dollars are going to be spent.

It was quite interesting the other evening, someone from my constituency who happens to work in the health care field called me to tell me that she had been called by Prairie Research Associates, and she had been asked a series of questions about health care, and those questions were questions about what she thought about the ability of various health organizations to provide a service. We Care and VON and Upjohn and those kinds of services were mentioned, and she was asked to rate them in terms of caring, competence, ability to do a job, et cetera.

We are not quite sure who paid for that particular survey or what the rationale was, but it is very interesting trying to get a feel from people in Manitoba as to what their viewpoints were on providing those kinds of services through private agencies, and then she was invited to attend a focus group on that particular issue, which, of course, because she is in the health care field, she is interested in doing. So it was quite curious as to whom Prairie Research Associates was working for in that particular case and what this all means in regard to home care and what direction we will be seeing in that particular area.

One of the issues that has been raised, as well, in regard to the Department of Health in this budget is the whole issue of the SmartHealth card. Concerns have been raised that the contract for this SmartHealth card is being awarded to the Royal Bank.

Now, again, I would hope the Minister for Health (Mr. McCrae) will have an opportunity to respond to some of my questions when he responds to the Budget Address. I would ask the Minister of Health if he has asked the Royal Bank if they have done a risk analysis on this particular service. That is basically similar to doing an environmental impact assessment in the environment bill. A risk analysis basically goes through some very strict criteria and would determine whether in fact all of the confidentiality and privacy issues are taken care of in any type of contract, and I wonder if in fact

the Royal Bank, who has apparently been given this contract, has actually gone through that particular process. I would hope that in fact they have.

The most important thing about the SmartHealth card and this concept is that in fact the privacy and the confidentiality of all Manitobans will be maintained, because this program should be seen as an assistance in the health care field and should not be seen as a program which in fact will invade the privacy of Manitobans. That is going to be a key factor. The Minister of Health (Mr. McCrae) will have to be absolutely sure that in fact that risk analysis has been completed before they actually have the Royal Bank take on this particular contract.

I wanted to make a few comments about teachers, because I have a lot of teachers who happen to live in my constituency of Crescentwood. Most teachers are parents, a lot of teachers are parents, and I have a number of school trustees who live in my constituency as well. Most school trustees as well are parents.

Now, I know that the Conservative government and the Premier and I know that the barking dog for the Conservative government, Mr. Harry Mardon, likes to make comments about the special interest groups that are running for the Liberal Party. In fact the inference is from the Premier and the inference is from these Conservative individuals that in fact teachers are not qualified to run for political office. I must put on the record that in fact I believe they are wrong. Teachers are qualified to run for political office. School trustees are qualified to run for political office.

People who are in a wide variety of occupations and businesses all can be qualified to run for political office. In fact when you look at school trustees, most of the school trustees are people like you and me. They are businessmen, they are businesswomen. Some of them happen to be teachers. They are farmers. They come from all walks of life, and they decide to run and

be elected to serve their people in a particular school division. So I think to suggest and to imply that teachers and school trustees are not qualified to run for politics does a disservice to the school trustees and does a disservice to all teachers here in Manitoba.

I think the important thing is—[interjection] Well, I am just being told by one of the members of the Conservative cabinet that in fact we have a lot running for our particular party. Yes, we have some teachers running for the Liberal Party in this particular election. Yes, we have some people who are school trustees here running for us in this particular election. Yes, we have farmers running for us. Yes, we have home economists running for us. Yes, we have businessmen running for us. Yes, we have lawyers running for us, and we are very proud of each and every individual who is running for us.

To suggest that teachers and school trustees in particular are not qualified to be in politics I think does that profession a disservice and in fact does the Conservatives a disservice because they are the individuals who are saying that.

Mr. Speaker, I wanted to talk about teachers and parents in the education system because one of the things that I find the most interesting when I go to meetings about education or talk to people at the door is, school trustees, parents and teachers all want to co-operate and all want to work together. That is something they see as being very, very important.

This is something that the Minister of Education (Mr. Manness) has tried to put a wedge between school trustees and teachers and parents because in fact we know that he did not even want someone who happened to be a teacher by profession to sit on one of the parent advisory councils even if they were a parent in that particular area. Because their occupation happened to be teacher he wanted to disqualify them. Now he is finally convinced that was a rather ludicrous idea, but this was his initial response.

I think again that is the wrong attitude, to assume that a particular occupation or profession is not capable of having input and doing a good job because they only come in with biased ideas. I think that is wrong.

It does not promote co-operation, it does not promote working together and it does not promote developing and assuring that we have the right solutions in education, and I think that the Minister of Education is so wrong in this, and we need to be not dividing wedges between various occupations and people who are all concerned about education, but we need to be bringing these people together to work together and have them work with the government to reach solutions. That is what is important.

I did want to make one final comment about crime and safety. What I wanted to say about it was actually to talk about some of the excellent work that is being done I am sure in a number of communities here in Manitoba, but the one that I am very familiar with is some work that is being done in the Earl Grey area in the Fort Rouge area.

This is a group of individuals who have formed what they call the Earl Grey Safety Association. They are a group of volunteers, dedicated people who live and work in the Earl Grey community, and they have decided to form a safety association.

This safety association is now about three years old. They were the first group in the city of Winnipeg to actually conduct a comprehensive safety audit of their own community, and I think this organization should be commended, because they are very concerned about crime and safety in their own neighbourhood, and they took the initiative to work as a group to assist people who live in the Earl Grey area to assist them in knowing where they could be safe in the community, to assist in looking at what were some of the detriments to safety in their community. Then this group could lobby the city, could lobby the province,

could lobby the federal government to ensure that there were some safety requirements put in the Earl Grey community.

I must commend this organization, and I know that they have been seen as a model for other community groups in the city who again are very concerned about crime and safety, and they want to ensure that their children are safe on the streets. They want to ensure that they are safe on the streets. This organization as well has heard about the idea of youth justice committees. We currently have a very large youth justice committee in the south part of Winnipeg. I think there is some movement from some of the communities to move towards some smaller youth justice committees. This may be a very positive idea.

Again, I think these are the kinds of programs and services that are going to be so important in our communities because, as I think the member for Turtle Mountain (Mr. Rose) mentioned today, it is the responsibility of individuals to do what they can to provide for themselves, to ensure that they are safe in their own homes, to do work in the community.

I do not think anybody disputes this. I think the role of a government is there to provide leadership, is to provide the opportunities for the people of Manitoba where necessary. I think the role of a government is to ensure that, where there are people who are vulnerable and are not able to assist themselves, we then can assist them, whether it is on a long-term basis or whether it is a short-term assistance, to get them going, to get them to be independent. This is very important.

I think mostly the people in Manitoba want to be independent. Most of the people in Manitoba want to stand on their own two feet. But sometimes they need some assistance from government, and they need also the support of government, to know that government stands behind them. I think that is the role of government.

\* (1640)

That is certainly the role of a provincial government, and what we need to gear our programs and services to in this province is that particular area to ensure that we have a viable education system for our children, whether it is elementary or whether it is post-secondary; to ensure that if you need to go to an emergency room of a hospital and you need a bed, that that bed is there, to ensure that there are the health promotion and the services in the community that are necessary. People want to know that. People want to know that if they need a police officer because of a crime, that police officer is available. These are very important for the people of Manitoba.

The people of Manitoba want to know that if their grandmother, their aunt or uncle needs home care, that service is available for them. These are the important things for the people of Manitoba. These are the important things for the people in Crescentwood.

I just wanted to make a final comment, because this will be our last speech before we go into provincial election. Although the looks of this particular Chamber will be different after the next election and no one knows what that particular look will be, I would like to say to all members of this particular House who are running in the next provincial election, to wish you a safe campaign, a high-road campaign and make sure that each and every one of you has fun on the campaign trail. Thank you.

**Hon. James Downey (Minister of Industry, Trade and Tourism):** I rise in my place today to speak to the budget document, which is pretty much one which I think we should all be pretty proud of, indeed, particularly those members of government who have been part of it, each and every caucus member.

I may as well say, Mr. Speaker, that this is an historic year in Manitoba, celebrating 125 years as a province. I know that there have been many



comments made as it relates to the past performance of governments. Different decades have certainly demonstrated and provided different parts of Manitoba and have spoken very clearly to, whether it was the development of the province, whether it was a left-leaning government, a tax-and-spend government, whether it is the types of Liberal governments that have previously governed Manitoba.

We have reached a time in our history where I am pretty proud to stand in this historic year and see what I would consider an historic document laid before this Legislature, not only in the budget but the legislation that is being tabled along with it as far as the future direction that we believe, this government believes, we have to go in to make sure that this province and its people, particularly the young people— I would call this a young person's document, a young person's budget and a young person's session, because what it speaks to is that we do want to have a province that is strong, a province that can provide the opportunities, a province that can live within its means and a province that can provide the essential services that people of this country have come to expect.

It truly is a document which tells the people of Manitoba what we believe in, and not only what we believe in today, where we have to go in the future to maintain what we have enjoyed as a province and as part of this great Canadian country.

On this 125th anniversary of Manitoba being a province, or the birthday of Manitoba being a province, it is truly a proud time for members of this Legislature to have an opportunity to, I believe, vote on such a document and put it in place. I would just suggest, Mr. Speaker, that every member of the opposition party think very carefully and clearly. This is not a cosmetic opportunity. This is a real opportunity to leave their stamp on the future of Manitoba so that we can project on into the year 2000 and on into the next 125 years.

I say—[interjection] Well, the member for St. Boniface (Mr. Gaudry) has one thing and one thing only on his mind and that is becoming re-elected.

I think there is a time in one's life that one has to look just a little further than that, and of course having been elected five times and seeking my sixth election, which I look very fondly towards as the spring progresses. As the Premier sees the time developing, then I look forward to the campaign, whenever it presents itself.

I can say genuinely, Mr. Speaker, whenever it does happen, I will not have any trouble. I do not have any trouble in going to the people of Manitoba and laying this document before them, along with the balanced-budget legislation, and saying this is what we have done, this is what we believe in and this is what we think will make Manitoba a great strong province into the future.

Now if the members opposite—[interjection] Again, it shows the level of the thinking of the members opposite when they hold up a newspaper which tells rural Manitoba what is going on. It truly shows the depth of the thinking of the members opposite as to what the important issues of the day are. I will elaborate a little bit more on that, but before I do, I want to say at the outset that to my colleagues in cabinet and caucus and to those who I have worked with in Treasury Board—and this is not a swan song, this is one which I am getting fired up to take on another 18 years of politics.

I say at the outset that there has been a tremendous amount of work put into this document by all the Executive Council, by caucus, by Treasury Board and as well by the staff that work within all the government departments to put us in the position that we are in today. These decisions did not come easily. If members opposite think that governing at any time is easy then they should think twice. The challenge which is before governments today is tremendous.

I am sure if the members of the Liberal Party would ask their friend Lloyd Axworthy, if they would ask Paul Martin, or if they would ask the members of the senior government in Canada as to how tough the decisions were that they have had to make, although unpopular in a lot of areas, decisions have to be made.

So the point that I make is that a lot of my colleagues, all of my colleagues, and the people who work for government, have had to take some tough decisions. It is not an easy time to govern. It is not an easy time to make those decisions that have to be made.

In saying that, Mr. Speaker, I want to at this time acknowledge the colleagues that I have spent many years with in the Legislative Assembly, those who have taken the decision to do something else with their lives.

I say particularly to those from our cabinet and our caucus, our colleague from Riel, who has contributed many years to public life, has certainly sacrificed many, many family events and sacrificed business opportunities, but has seen that he could contribute and has contributed to this province and to this city in his public life. I acknowledge the hard work and effort that the member has put in.

I say to my neighbour and colleague from Turtle Mountain, although he started a little later in life in the political arena, he had all the wisdom without coming here, and he continues to demonstrate it.

So I say to him and his hard work on behalf of the constituency of which he represents, Turtle Mountain—I had the chance previously to represent part of it, a tremendous part of the province.

He certainly has contributed tremendously in some of the initiatives that have been carried out there. Whether we look at the rural gasification, the health care field, the decentralization, he has certainly contributed in a major way and given

the people, I believe, a very genuine and honest representation.

\* (1650)

I say to the former Minister of Finance, the representative from Morris, it has been a very, very difficult challenge that he has carried out as Minister of Finance. I do not think the time we had with the recession, probably the worst recession that we have seen since the 1930s, trying to make sure that he, yes, kept his hat on to make sure that the spending was under control with limited resources that we had.

The members opposite, you know you really have to put it in this context, they are coming down hard saying, you know, we did not balance the budget, and we had some deficits under that Minister of Finance's time, and they are really critical of it. What do you suppose, Mr. Speaker, would have happened if he had balanced the budget and taken the measures that would have had to be taken to do what they are actually trying to criticize him for? What do you suppose? Would they have been standing up cheering that the member for Morris (Mr. Manness) had balanced the budget and he had done all those things? They know what would have had to happen to do that. Either we would have had to have major tax increases, as they chose when they were in government, or there would have had to be major reductions in programs. We appreciated what was happening in the national and international scene at that particular time.

So let me say to them, they cannot have it both ways. They cannot criticize the former Minister of Finance for having a deficit and carrying out the programs that they daily demanded and/or did anything with taxes.

**An Honourable Member:** Now you are bringing in balanced-budget legislation without making it retroactive. Is that not—

**Mr. Downey:** I will deal with that, too.

Mr. Speaker, again, what it points out is how shallow the thinking of the member for Thompson (Mr. Ashton) is. He has always been a shell-game operator, and he has not changed a bit.

So I say to the member for Morris (Mr. Manness) in his retirement that his contribution, Mr. Speaker, is one which this province will have benefited tremendously by, his direction, his fiscal policy, his balance, his approach to delivery of service and to target us so that we could in fact get to the point in Manitoba's history that we are at today.

I take my hat off to the member for Morris and thank him very genuinely for being a friend and a very dedicated colleague. His speech yesterday, I think, truly demonstrated the depth of the person and the sincerity of the person, and I believe that we will see the member for Morris' mark left in society in other ways in leadership roles which he may in fact play throughout his community and whatever he chooses to do.

Mr. Speaker, I then go to the member for Pembina (Mr. Orchard) because I think it is important to say to the member for Pembina, not only as a good friend and a colleague but an individual whom I certainly have a lot of respect for—who carried out a program, who carried out a ministerial portfolio that, quite frankly, would have been very difficult for anyone. He is a quick study. He is a very sharp individual and has an excellent understanding of the issues that had to be dealt with.

I believe, just as the member for Morris (Mr. Manness) has embarked upon the reform of education—and it has demonstrated there is a target, there is an objective, the objective being that of the betterment of the children and the education of children—in the work that the former Minister of Health and now the Minister of Energy and Mines, the member for Pembina, has carried out in the reform of health care. Again, it was supported by the former Liberal critic and demonstrated from the medical field that the

member for Pembina was on the right track and this government was on the right track.

Tough decisions had to be made, not always popular, and he made them based on not his own desire to have people mount criticism of him. I am sure that there are not too many people who would want that kind of criticism. He did it because he truly believed, as we believed, that the future preservation of our health care was in his hands, and if those decisions and actions were not taken then in fact what he and his family and we and our families and the people of Manitoba and their families have enjoyed in the health care field truly would not have been there. Again, the leadership role by both the Minister of Education and of Health, who are stepping down, did carry out national leadership roles, because what we are seeing in other provinces is very much the same thing as what has been carried out.

Let me further add for my colleague, the former Minister of Health, the decisions which he made and why he made them. There is not, Mr. Speaker, anything but true facts on the books of the Province of Manitoba. That is, in 1988, when we were elected, the health care budget was \$1.2 billion to \$1.3 billion. In 1994 it is \$1.8 billion plus. That is five to six—[interjection] Well, the member says, what about inflation? Well, inflation has been running this last two years about 1 percent, 1.5 percent a year. It has gone from 5 percent and 4 percent, down to 1 percent, so we funded it greater than the rate of inflation, on average.

The point being, Mr. Speaker, and I want the people to think of these numbers, that what this government under the former Minister of Health has done—at a time we put in over \$5 million more, we have had to make changes so we have the kind of health care people expect. We as taxpayers are not expected and could not be expected to continue to put those kind of resources towards it. If—and I want you to think of these numbers—we had not made the savings in other areas, if we had said to the taxpayers of

Manitoba, we are going to charge you directly for the input that we put into health care, we would have had a 12 percent sales tax in the province of Manitoba today. Those are the numbers. We would today have a 12 percent sales tax if we said to the people of Manitoba the money we put into health care in our term of office would have now been 12 percent, if we had charged them straight through on the sales tax.

Mr. Speaker, we have put that money into health care. We have got the best health care in the country. The greatest percentage of our budget is going to health care of any other province of 34-point-some percent. Yes, and at the same time, we are balancing the budget. So I say to my colleague the member for Pembina, as I say to my other colleagues, thank you very much for a job well done. It took a lot of guts to do it. You took a lot of criticism from members opposite who, I believe, would not have had the ability or the stamina or the vision to take us to where we are today, and it was of very little thanks, I say this to members opposite.

Now, let me say—and there are two other members of the opposition whom I have sat with for some time, the member for Dauphin (Mr. Plohman) whom, I say, you can see that he has had enough of the political arena and that he apparently has no more that he can contribute. That is his decision. I say to him, I wish him well as I wish all members who are retiring. I wish them well in their retirement. Again, I can certainly feel how frustrated often, sitting in opposition, he was, and I guess he probably, to some degree, saw that maybe that is where he would continue to be if he had been elected. I say this in a friendly note to the member. If I cannot make those kind of comments in a friendly way, then, as my colleague from Morris (Mr. Manness) said yesterday, you know, we really have a difficulty. It is not said with malice. It is said with sincerity because the member for Dauphin has contributed, has sacrificed as every one else who sits as a member of this House. Let me, as well, say to

the former member for Flin Flon who saw another opportunity in life and has proceeded down that path—so I say to them, may they have health as all members who are retiring.

Let me say as well, Mr. Speaker, to those members who are proceeding to prepare themselves to run in the next campaign—and I think it is an historic time in our province. I am pretty proud of the record, and I am also pretty proud of the leadership that the Premier (Mr. Filmon) of Manitoba has shown. I say to anyone today that having been the leader of the party for ten years and been the premier for eight—[interjection] The member for Thompson (Mr. Ashton) is saying, having survived whomever he is talking about. After having heard the comments coming from the member for Wellington (Ms. Barrett) and now the member for Thompson, I do not take that personally. I take it as it is meant.

\* (1700)

I say genuinely to the Premier of this province, Mr. Speaker, in a time that has been extremely difficult, he has done a tremendous job, and I think the people of Manitoba will judge that when given an opportunity. They will judge him and his government and the members who are running for him as they will judge, I believe, what the member of the opposition has to offer and the members opposite, whether it is members who are presenting themselves to try to destroy the livelihoods of my constituents and the PMU business, whether it is a matter of judging the member for St. James (Mr. Edwards) and his leadership role of the Liberal Party as to what he brings to the campaign and what he projects himself to be as the leader of this province if he were to be Premier.

I say, though, genuinely that our Premier has been a pleasure to work with. He is a determined, very fair, balanced individual, and I believe that, when the people of Manitoba are given the opportunity to say whom they want to take us into the next century, he will be an

individual that will, I think, get the support of the majority of Manitobans and carry on with the mission that has been set forth.

Mr. Speaker, let me as well talk a little bit about the budget because you know, members opposite, and we have gone through how many Question Periods now since last Friday morning. We have put a historic document on the table. We are talking about a balanced budget. We have presented a balanced budget with a projected surplus. We have presented legislation that will enforce balanced budgets into the future of this province unless there are certain situations that happen within the province, whether it is war, whether it is disaster or whether it is a 5 percent drop in our revenues, there is a severe penalty that members of Treasury Bench have to pay.

(Mr. Bob Rose, Acting Speaker, in the Chair)

**Mr. Steve Ashton (Thompson):** Is it retroactive?

**Mr. Downey:** Well, the member from Thompson (Mr. Ashton) says, is it retroactive? Well, does he want to go back to 1981? Is that what he is talking about in his retroactivity?

You know, you cannot stand in your place and have any credibility in talking the way the member for Thompson talks. Do you want to go back to 1990? What are you talking about? You know very well that that is not what most governments, what any government would carry out is that kind of retroactivity on any measure, so I would ask him to get real for once in his life, and bring a little bit of depth to the debate.

Well, he says, retroactivity. Well, it is not on, Mr. Speaker, but I can tell you that if he feels strongly about it he can support this legislation on behalf of the people of Manitoba. He can support it by voting for the budget.

It is in the budget document. It has been tabled yesterday, and it is in the budget

document. So he can clearly demonstrate his support for this legislation by voting for this budget, a clear indication of what he can, in fact, support.

What have been the issues in Question Period and the budget? Well, there is a lot to do about funding a deficit out of the lotteries program. A lot of to do about it. Well, my colleague from Riel (Mr. Ducharme), I think, touched on a pretty important point in his speech the other day. Let us think back to the Schreyer years. What was one of the main things that Ed Schreyer did? Ed Schreyer, he brought in the lotteries programs. That is right. Ed Schreyer brought in the lotteries programs. They set up a casino over at the Convention Centre and they had break-open lotteries and they had two bingo halls. You know, it was established in Manitoba that lotteries were a part of what was going on in Manitoba. Okay?

The other thing that Ed Schreyer and his colleagues did, they lowered the age of majority from 21 to 18. What was the motivation behind that? Let us examine it a little bit. Mr. Acting Speaker, was it anything to do with revenue? I think if one were to check the revenues of the Manitoba Liquor Control Commission I think one would see if you would add the number of people from 18 to 21 that would now be buying alcohol and going and introducing themselves to those vices at an earlier age, it certainly would add to the economic activity of Manitoba.

Did the Schreyer government or any of the members of the New Democratic Party stand and reject and say, it is wrong that we should take advantage of, who, the young people that we are now encouraging to drink in this province?

Tell me that what they did was right. They said to the young people of Manitoba, we do not want you to gamble, we want you to go and drink. That is what we want you to do so we can get the extra revenue. What a bunch of hypocrites across the way. None of them have a right to stand and criticize the fact that we take

money out of lotteries, Mr. Acting Speaker, when all of society contributes, but it was okay for the NDP to say, we are going to the young people of Manitoba and we are going to say, from 18 to 21 we want you to drink and we want you to add to the revenues of this province so we can fritter it away as a New Democratic government. That is where you are caught and you are hurting on it. When we get on to the hustings you will hurt and you will hurt badly because we will use it in a big way. It is too true. [interjection]

No, we are not talking about the drinking age. Are you going to do away with lotteries? No, you are not going to do away with lotteries, because you introduced it. [interjection] I invite you to. So let us display for what they are.

Yes, the Liberal Party have made a lot to-do about it. The Liberal Party make a lot to-do about it, and, yes, it is not hard to disagree that it is unfortunate that the lotteries program has grown under NDP and we have brought in some modern activities in the VLTs to support the rural hotel industry.

It is important to point that out, that the VLT business saved the rural hotel industry. I would ask the Liberal Leader (Mr. Edwards) to tell the rural hotel industry that he is going to take them away. Is that what he is going to do? How do you think some of these hotels have survived over the past few years if it had not been for the fact that we have seen them with the economic activity of VLTs? Is it right? Is it wrong? That is debatable, but it is there and it has saved many hundreds of jobs in rural Manitoba. It has saved hundreds of jobs.

Yes, there are people that are addicted, and what have we said? You bet, we want to make sure that with anyone who is addicted with a lotteries addiction, we want to be helpful. We have set up a group of 14 people to assist in telling us how best we can do that in any way, shape or form. You know what, if those individuals who represent those different people

had not agreed that it should not have been done, why did they accept the jobs? They are genuine and sincere. We are sincere. We want to deal with the situation, but for him to stand up and try to make a whole lot of politics out of it, it is not on. It is not on.

When you go to the public today and you say, okay, we have three options. You want to maintain your social programs, you do not want higher taxes and you want your government to deliver. So you say to them, okay, first of all, before we increase your taxes—personal, sales tax or payroll taxes—you get a vote on it. Okay, so they are going to have the right to vote in the future as to whether or not those taxes go up.

\* (1710)

Let me as well say that, to provide the services demanded, you have to have tax revenue and to get that you have to say increase, and they have the right to say that. Do they want the same level of support in programs? I think they will say yes. They want to maintain the health care system. They want to maintain the education system. They want to maintain the family services system. And so we say to them, to maintain the programs, we cannot cut them.

Then we say, where are we going to get the money to do all of this? And you say to them, should we not take it out of the lotteries programs first of all to balance the budget? You know what they say, they say, yes, we should. That is the first call on that money.

Is it right or is it wrong that we have that money? I think the debate is past. I think of the Ed Schreyer government in the introduction of lotteries; I think that debate is past. Yes, we have to do some things to make sure that our younger people do not think that is the normal way of life, but the NDP sure did not think very long and hard when they said, I want the people from 21 to 18 now be able to go into the hotels and to drink and to add to the revenues. They were not very sympathetic there.

I would hope they would show more sympathy. I think they would show more sympathy. Mr. Acting Speaker, I would hope that—[interjection] No. That is not the question of raising the drinking age. That is not the question.

I am criticizing you the members opposite. They are trying to have it both ways, and they cannot have it both ways.

I say to the members opposite, let us work together to try and make sure that we do have the kinds of things in place that will give our young people hope.

I am saying, what will give the young people hope, Mr. Acting Speaker, is this budget. Because if I were a young person today, first time voting, versus last year, many years, when every time a government came forward we were all saying we are trying to get rid of the deficit, but you know, because of certain reasons we have not been able to do it, today, the young people who are going to vote at the age of 18 know the commitment of this Conservative Party when we go to the polls that we are putting a law in place that will guarantee that no one but no one can increase their debt that they will have to pay collectively without a chance to vote on it and if they do go into a deficit that they will pay the price.

I would ask members opposite to stand and speak to those principles. Do they not have any principles opposite, Mr. Acting Speaker? Can they not once in their life speak to a principle, of making sure that the future of this province is debt free? Let us hear it rather than talk about the trivia that we see the member for Thompson bring forward—the trivia. Every year he has been in here it has been trivia.

So I say, it is the time for tough decision making, I say to all members of this Legislature. Look in the mirror. Look in the mirror when it comes to voting on this budget, because if you think only for your political benefit or for the

future of this province, think of the young people.

Mr. Acting Speaker, can you give me an indication of how much time—just five minutes. Gosh, time goes by quickly when you are having fun.

Let me talk about another area, because I have been privileged over the past few months to head the ministry of Industry, Trade and Tourism. I believe we have seen a major turnaround in the whole economic activity of this province. What is it fuelled by? Is it fuelled by mechanisms that were put in place by the New Democratic Party, Manitoba Mineral Resources? [interjection]

**The Acting Speaker (Mr. Rose):** Order, please.

**Mr. Downey:** Thank you, Mr. Acting Speaker. He is actually wanting to give me a little bit of calm in here.

What has happened in the province is, we have seen 15,000 more jobs year over year in Manitoba, not Jobs Fund jobs, real hard jobs. Today I am taking a little bit away from the Premier, and I never like to take away from the Premier, but I am going to take away from the Premier, and I am going to announce in this House something that the Premier actually announced an hour ago over at the Air Canada building.

AT&T have just announced today that they will be increasing their job complement in Manitoba by the equivalent of some 600 people—600 new jobs announced today by AT&T in the call-centre business. That, Mr. Acting Speaker, is one year and one day after they started their business here a year ago, and they are basically twice what they committed to the province when they set up. They have 600-and-some jobs. They will be leasing some three floors of the Trizec Building to accommodate those people—three floors of the Trizec Building

with call-centre activity. The room was filled with excitement of people with jobs and working.

Let me take a look at some of the other areas where we have seen tremendous growth. We have seen tremendous growth in the metal fabrication business with Franklin industries with some 50 new jobs; AFG Glass with some 20 jobs, which the member for St. Boniface (Mr. Gaudry) will stand up and probably take credit for or try to; Loewen Windows, 284 new jobs; DW Friesen, 55 jobs. I can tell you within days I can be announcing a few more job opportunities in Manitoba. I will be, not only in the city of Winnipeg but in rural Manitoba.

The member for Concordia (Mr. Doer) stands today and he tries to berate us because it appears like there are more imports coming into Manitoba than there are exports. Well, as the Premier said, the difference between them is shrinking. We are now exporting greater amounts, and the amount we are importing is becoming less.

Why are we getting more imports, Mr. Acting Speaker, and what is it? Do you know what it is? It is manufacturing equipment. It is high-tech equipment that is being brought in from the United States. What is it being used for? Well, if you go out to Carnation or Nestle-Simplot, that equipment was bought from the United States—and by the way, the friends of the member for Thompson (Mr. Ashton) would not let them hook it up because they did not have their union cards or something. That is equipment, millions of dollars worth of equipment brought in to process potatoes so they could double their output and give jobs to people. The equipment that the Loewen industry people are putting in probably came from the United States to build windows.

Mr. Acting Speaker, Franklin industries brought in a piece of equipment, a major press, and will be bringing in a laser cutter that they could not buy in Canada. Do you know what

that means to the Canadian economy? They will be putting out \$40-million worth of production in Canada for Canada in between here and their B.C. plant, the plant that Western Star Truck has, \$40 million that was currently being produced in the United States—one year production, \$40 million. That is what is being imported into this country. It is not processed product like we are selling back to them.

Mr. Acting Speaker, that is the kind of silly debate that the Leader of the opposition party wants to get into. It lacks substance. I think what we will be seeing in the upcoming campaign is lacking substance, as will the Leader of the Liberal Party (Mr. Edwards) be seen for what he is.

Let us take one more look. Of course, I think the federal budget speaks for itself. The federal budget, quite frankly, I believe, is trying to bounce on the backs of western Canadian agriculture. Quite frankly, to take the amount of money out of western Canadian agriculture in one fell swoop is absolutely and totally inappropriate, as it is unfair, and I believe the imbalance that they took away from Air Command in Winnipeg is as well unfair and will be shown over the next few weeks and months as to how just unfair it really was. We do not mind having to bite the bullet, but we all want to do it on a fair and equitable basis, and that is what we have presented as a government.

\* (1720)

So the point I make, Mr. Speaker, is this. We have a group of men and women that are presenting themselves to the electorate of the province of Manitoba over the next few weeks and months, that are prepared to govern and make tough, fair decisions under the leadership of this current government. I ask the public to clearly look at the members opposite and judge as to whether or not they are prepared to lay their platform before the people as we have laid with this budget, that we are prepared to demonstrate that this province and this country has a positive



future, that there are job opportunities for the people of this province and for our young people, particularly, that will not be burdened with the kind of debt that we have seen under the New Democratic Party and have heard nothing different from the Liberal Party. This is a province for young people; it is a province for opportunity; it is a province to excel in everything you want to.

It is, as well, a province that believes in the education of our young people. We are the champion of the children, to make sure they are equipped.

We are the champions of security of body. Under the leadership of this Attorney-General, a national leadership role has been played demonstrating we believe in the protection of the individual and hard on the criminals. For the seniors and those in need of health care, the actions that my colleague has taken from Pembina and the current Minister of Health (Mr. McCrae), I commend this government and the Premier for the courageous leadership in governing the way in which this province deserves to be governed.

Thank you, Mr. Speaker.

**Mr. Gord Mackintosh (St. Johns):** Mr. Speaker, we have certainly heard some amazing bravado here. Well, as a relatively new member in the Chamber, I have to admit that it is frustrating to have to look in the face of the fallout from what I would call the Filmon government legacy, the government that has been more concerned about public relations and theatre and their friends, and more concerned about that than the real needs of the majority of Manitobans.

I cannot help but think, and I heard again in the budget speech's reference—this is an example of the boot camps. I always find that absolutely astounding that any government could stand in front of the people of Manitoba and say that there are boot camps in this province. There are

no boot camps in this province. That is just one example. Of course, that is just as amazing as the government standing up and saying to Manitobans that there is truly a surplus budget and that it is the first one, because that is wrong, and they know it.

Well, at the same time that I have the frustrations I have described, I think it has never been as critical a time to be in public office, particularly in this province, and to try and give a voice to people that do not have power and privilege, because there is a war being waged, Mr. Acting Speaker, against those people.

When I heard the Premier (Mr. Filmon) proclaim in December at the end of the Throne Speech Debate, and I will use some of his words, that, ". . . Manitobans have been energized. Manitobans have been given confidence . . ." He said, "Manitobans are rising to the challenge" of the so-called Filmon Conservative competitive environment. I knew right then and there that the government was terminally out of touch with the reality of Manitoba, was out of touch with everyday people and certainly out of touch with the people that I deal with every day, people who for the first time in their lives are giving up hope.

Then again in the budget speech the other day, the Minister of Finance (Mr. Stefanson) proclaimed, "Manitoba is poised on the threshold of a period of unparalleled prosperity and opportunity." He said, "We have . . . abundant . . . job opportunities which ensure our children can grow, learn and fulfill their dreams right here at home." He went on to say, "Most of all, we are proud of Manitobans' ability to work together to achieve a common goal." There is no common goal, and that is what I want to address today.

If there is any economic recovery being experienced in Manitoba it certainly is not being shared with middle-income and lower-income earners, certainly not. This Filmon government is giving a free rein to elites to only help

themselves, and people who are not suffering economically and the large corporations are being encouraged just to walk away from their responsibility to the community.

I want to quote from an article in *The Globe and Mail* of November 22 by Michael Valpy, and he says there are three recent articles, one by the late Christopher Lasch in *Atlantic Magazine* and the other two in the *New York Times*, which describe the United States where the well off are in revolt against the poor.

Mr. Lasch's essay is entitled *The Revolt of the Elites*. He describes how people who have secure futures are cancelling their allegiance to the national society, switching off their social conscience and are showing concern only for their own well-being and freedom.

Michael Wines in the *Times* pointed out that the current triumphant political creed in the United States is that cracking down on the poor by way of welfare reform will bring about big savings. Payments to the poor, he wrote, add up to less than the three largest tax breaks that benefit the middle class and wealthy: deductions for retirement plans, deductions for home mortgage interest and exemption of health insurance premiums that companies pay for their employees. Then he compares it to what is happening particularly in the province of Ontario, where class hatred is becoming acceptable by certain people, and specifically referencing Ms. McLeod and Mr. Harris in Ontario.

I had a constituent who not long ago, or perhaps too long ago because of all the books piled up next to my bed, lent me *The Great Depression* by Pierre Berton. In the early paragraphs in that book Berton quotes a number of community leaders who spoke about the economic situation in the early days of the Great Depression, and Berton quotes from the *Manitoba Free Press*, which said, whom are we to believe—the paper asks—the sober financial executives who say that conditions are

essentially sound and full of hope for the future or the politicians who declare that in many respects the country is in a deplorable state?

He went on to say that within a fortnight there were 10,000 jobless people in Winnipeg alone. He goes on to quote what he calls a heavenly choir of bank executives who said that there was undiminished confidence in Canada's continued growth, there was a future as promising as at any time in our history, that fundamental conditions are sound.

The *Vancouver Sun* said, Vancouver people can create in 1930 the greatest era of activity and prosperity that this continent has ever known.

Finally, Mackenzie King said, I submit there is no evidence in Canada today of an emergency situation. All the talk about unemployment, he indicated, was no more than a political move by the opposition because of a point of view that they intend to take in discussion on the budget.

It is interesting, Mr. Acting Speaker, how history repeats itself and how those with power and privilege will distort the reality. It is not just that they are out of touch with reality, but when they know it, they distort it. It is a hostile takeover of ordinary Manitobans. I cannot help but get angry about the legacy of the Filmon government when I see and hear what I do in my community every day. In the last four to five years alone in our neighbourhoods there has been a real change. It is meaner. There is a real need.

\* (1730)

I have been visiting a number of the area's schools, and there is one consistent theme I get from the principals and educators who speak with me, and that is that in the last very few number of years the students are coming in the doors and into the classrooms of the schools with real needs that were not there before. It is a much more learning environment than ever before.

They are seeing children coming into the classroom who no longer have the ability to learn because of increasing violence, cruelty in the homes, from hunger, from despair, joblessness. I heard it said by one of the principals in my community in West Kildonan, who said the inner city has now arrived, but then I heard from another educator in my community, who teaches in St. Vital and said, no, it has nothing to do with the inner city. It is all across the province. It is in the suburbs where I teach. We all recognize that disproportionately it is affecting the inner city.

At St. John's High School, I worked with the students on different issues and spoke with them. I was shocked when, shortly after my election, I met with the student council, and I heard from student after student of their fears for the future, of their fears of being able to go to university or college or into apprenticeships, their fears of ever getting a job, because in front of them, at the kitchen table, are parents who for the first time in their lives are not working. Joblessness causes despair and the ramifications are complex.

We know today, as the results of a poll conducted by Greg Mason, that 27 percent in Manitoba think they will be worse off this coming year—one in four, Mr. Acting Speaker. There is a measurement of that despair right today.

I hear from my constituents. I ran into a neighbour who was at the University of Manitoba the other day, who was profoundly fearful of what will happen to her tuition fees even next year, barely getting by, yet having tremendous skills and intelligence and a great hope for the community. How will she overcome the barrier, a barrier of money, not of ability?

Two days ago I was in the home of a parent on Bannerman who simply exclaimed, it looks like we will not be able to send our children to school after Grade 12.

I want to talk about gambling. I do not know about the government benches, but I know many members and certainly people in my community just have this nagging concern that maybe we have just gone too far here.

I look at the revenue Estimates in the Manitoba budget document and I note that based on expected lottery revenues of \$240 million per year those revenues exceed the corporation capital tax. Those revenues exceed the gasoline tax. Those revenues exceed the levy for health and education. Those revenues exceed every fee and other revenue, including driver's licences, water power rentals, parks, forestry, fisheries and other natural resource revenues, all other Manitoba collections, automobile, motor carrier licences and fees, minerals and petroleum and other energy and mines fees, land titles and other legal fees. Except for the retail sales tax revenues and individual income tax, gambling is the largest revenue.

Two hundred and forty million dollars, Mr. Acting Speaker, that is \$240 for every Manitoban. I ask, when we have gambling palaces set up in the two most dense working-class areas of Winnipeg, that is, near the Weston Shops and near the Transcona Shops, and we know some of the statistics that are available, who is really paying the shot? Yes, often the wealthy to the poorest are going into those places, but who is paying the shot? Who is disproportionately spending their incomes on gambling? Indeed, I have some questions as to who is disproportionately paying the tax revenues on cigarettes and booze.

VLTs in this province have changed the nature of our community significantly, Mr. Acting Speaker. I ask, balancing budgets with lottery revenues, balancing budgets on whose backs, let alone all of the other regressive taxes and all of the other methods that this government thinks in its trickle-down thinking will benefit Manitobans.

(Mr. Speaker in the Chair)

I also want to talk about child poverty. We just heard the minister talk about this government being the champion for children, and it is that kind of nonsense that just denigrates politicians generally, because people know. But from 1989 to three years later the number of children living in poverty skyrocketed by 35 percent. We hear Reid Hartry, the chair of the Manitoba coalition on children's rights, say that he sees in the schools the inability for children to study because they are hungry.

In October last year, 1994, it is reported 609 infants under the age of one were served through Winnipeg Harvest, three times the number for October '91. In 1992, 62,000 children were living in poverty in Manitoba. Bill McNairm of the Union Gospel Mission reports, I did not see any children 10 years ago, and it has just gradually increased in the last four to five years, Mr. Speaker. The number of children who receive food hampers through Winnipeg Harvest doubled to 3,321 in October 1994 compared to the same month three years earlier.

In the document produced by the Institute of Urban Studies in the autumn of 1994, the Institute talks about a study that they undertook in seven inner city neighbourhoods in Winnipeg. I want to read one of the paragraphs here, Mr. Speaker.

The study found that the most revealing characteristic is income itself. Median family income in the seven neighbourhoods is approximately \$18,000 compared to \$47,000 outside the inner city. Approximately, 57 percent of families live below the poverty line in these areas, five times the level of the rest of Winnipeg. Nearly 60 percent of all single-parent households in the seven neighbourhoods depend on government transfer payments. This figure rises to 75 percent for aboriginal single parents. Welfare dependency is three to four times higher than it is in the rest of the city.

We can see, Mr. Speaker, from the studies being done, the disproportional impact of this

government's policies on the inner city, bearing in mind that it is affecting all of Manitoba, and I will get to that.

\* (1740)

I now want to turn to seniors. What has this government done to our seniors? Home care—the number of persons allowed to use home care in 1989-90, 13,019. In 1993-94, it had dropped to 11,395, let alone the user fees and the service cuts. Hospitals expected 1,500 positions cut, 315 beds. Pharmacare deductibles raised 52 percent for seniors. Benefits reduced from 80 percent to 70 percent. Hundreds of drugs delisted. Nursing home fees raised 74 percent. Handi-Transit with direct grants slashed. Housing rents, subsidized cost raised 8 percent while private sector apartments are limited to 1 percent, let alone changes to the property tax credit, the pensioner's school tax assistance. The eye exams slashed from as needed to one every two years. [interjection]

Well, Mr. Speaker, someone just said in this Chamber, other than increasing taxes, what are you going to do? That speaks to the entire philosophy of this government. That speaks to the essence of the legacy of the Filmon government. As I said, balanced budgets on the backs of whom? What has happened is that an underclass has been created. It is not just here. There is the right-wing trend that has been suffered by people, the alienation of so many. I ask, whom is it good for? Do those with power and privilege think it is good. Well, apparently they do. How well thought out is that? I say that if a neighbour has a challenge, so do we. We are all in it together.

They do not get it, but when you create a community where people cannot innovate because they can barely survive, when you create a community with a great disparity in incomes, a large income gap, when you create a community with despair, with hopelessness, you create a community which is violent, which is giving up. Even using the rhetoric of the right,

you do not have consumer confidence, Mr. Speaker, and is not consumer confidence so important?

We have now in Manitoba suffered the highest poverty rate in Canada, the highest number of children in care per capita in Canada. We have among the lowest minimum wages in Canada. We had no increases in jobs last year. We have among the lowest growth of all the provinces in Canada. We have the highest number of high school dropouts in Canada. And is there any surprise, Mr. Speaker, that we have the worst crime rate in Canada, that we have the highest violent youth crime rate in Canada?

It is fascinating to hear the Minister of Justice (Mrs. Vodrey) say, well, it is the Young Offenders Act. It is the federal government's problem. Well, that Young Offenders Act is in place in every province in Canada. That does not explain why Manitoba is entirely out of whack. What explains it is that this government has in no small way created the conditions that breed crime. What good is that to anyone, Mr. Speaker? We are all in it together. They just do not get it.

So what do they do? Their priorities are all messed up. Thirty million dollars to business friends under Workforce 2000. I do not know how many millions of dollars now we are talking about for taxpayer-paid pre-election ads. I know that has just gone up significantly.

How about a million dollars to buy seven judges off the bench, Mr. Speaker, particularly when we are facing terrible backlogs in the youth and family violence court. What a priority that is—a million dollars for seven judges and garage sales for youth programs.

Of course the four million dollars to Connie Curran, that is a real doozie. And the Jets, I understand that could cost a million dollars a month. You can see the priorities, indeed, in a country that has the most billionaires per capita in the world.

Seventy-seven corporations with profits greater than \$25 million have paid no income tax on total profits of \$5.2 billion. The Royal Bank of Canada, that had a pre-tax income of \$63 million, paid no income tax, and in fact were given a \$65 million tax concession.

So you can see the priorities, Mr. Speaker. What a year for the family that was. And this budget perpetuates that, and that is why we will not support it. So, in light of the statements of the First Minister I cited at the outset and of the Minister of Finance, it is time for a reality check for this government, and we have to move towards a more equitable distribution, not only of wealth but of power because, of course, this government is now in ideological cahoots with the federal government and indeed that federal Liberal government is doing everything Canadians wanted a change from.

I am afraid that we are seeing the end certainly of Manitoba and, I believe, of Canada as we have come to know it. All the little bits of fairness that Manitobans have striven for and secured over the years are being cut, cut, cut. I have said it before, but it is these cuts, little cuts, like the sun going down, Mr. Speaker, you do not see it moving until all of a sudden it is gone. All of a sudden it is dark. It is getting dark now.

It is time for some compassion, some competence, and hope. I look forward to the election, and I look forward to meeting, speaking and listening to Manitobans, and I look forward to the reality check that this government is going to face. For all the Manitobans who have been threatened by the government's user fees, for example, and for all the Manitobans who have seen their loved ones lose essential services such as home care, handi-transit, and for all the Manitobans who have been suffering through a long bout of unemployment while this government flounders with no plan, and for all Manitobans who are desperate, I have only two words, we're coming. Thank you.

\* (1750)

**Mr. Edward Helwer (Gimli):** Mr. Speaker, it is indeed a great opportunity to be able to stand here in the House and speak about the budget which was just presented by our Minister of Finance (Mr. Stefanson) last week.

Before I do that, though, I want to extend my sympathy to the member for Seine River, Louise Dacquay, on the loss of her mother just recently, and also to the Minister of Consumer and Corporate Affairs (Mr. Ernst) on the loss of his mother-in-law just a month or so ago. So my sympathy to both of them.

I also want to take a couple of minutes to talk about and to congratulate and to pay tribute to some members that are leaving this House, especially the Minister of Education, the Honourable Clayton Manness; and also the Minister of Energy and Mines, the Honourable Don Orchard; also the Minister of Government Services, the Honourable Gerry Ducharme; and also the member for Turtle Mountain, Bob Rose.

I really appreciate the opportunity to be able to be in the Legislature with these gentlemen because they certainly have contributed to the well-being of Manitoba, especially the Minister of Education who was also the Minister of Finance prior to the Honourable Mr. Stefanson, although I want to commend Mr. Stefanson on this budget and also all members of Treasury.

I think they have done a great job on this, but I also want to say that the former Minister of Finance laid the groundwork for this and—[interjection] That is right. It is not something that happened in one year. Well, all members of Treasury really deserve credit. It is not something that can happen overnight. It took seven years or longer for us to get to this point, and it certainly has been a pleasure and an honour serving with these people who have done such a great job for this province. We can be proud of their accomplishments.

Any effective and responsible government that is worthy of the support of the people of this

province, which we represent, would be worried. The budget is the result of some of our worrying. We worry where we spend, as opposed to worrying afterward as the former government did prior to 1988.

The whole country knew of the financial mess that Manitoba was in when the former NDP government was in office. We brought forward a plan for setting Manitoba on a fresh new course, and this balanced-budget legislation that was introduced yesterday is just one of the fruits of our labour and commitment to the people of Manitoba.

In short, the former government was spending beyond its means, and it is, in part because of that lack of foresight and responsible management of taxpayers' funds, that this government drafted this legislation to ensure that governments of the future be responsible and not spend beyond their means. This is to protect the economic stability of our province and to help secure the future of our children.

The problem of the former government lies in their inability to reconcile their gross-spending habits with their net income. This government believes in not spending more but spending smarter, so this balanced-budget legislation will ensure that future governments prepare budgets within their means and not assist the systematic way of living beyond the province's means.

All Manitobans can take pride in the fact that this is North America's strongest balanced-budget legislation. Within this budget, the government has demonstrated our understanding of the budget limits of families and businesses by keeping major taxes frozen for the eighth year in a row. This is in itself a Canadian record. A further testament to this government's commitment to the future of our children lies in the \$48 million protective surplus. This is the largest budget surplus in Manitoba's history.

Just to give you some idea of what other people are saying about our budget, just recently

in the Financial Times: Manitoba shows the fiscal way. Obviously we are doing the right thing.

Nesbitt Burns says, harvesting in the area of fiscal stability. They go on to say that Manitoba made remarkable progress in getting its fiscal house in order. Deficits have been halved in the '94-95 year to \$218 million and a budget surplus was projected for 1995-96. It's the first black ink in 20 years, and this comes from Nesbitt Burns. So these kind of endorsements are great for Manitoba and certainly give the business community some stability.

Just in today's paper, Mr. Holle, from the Taxpayers Association, taxpayers welcome Tories initiatives. In fact, he goes on to say, "that the first balanced budget in 23 years is quite an achievement. It was accomplished the hard way—through expenditure restraint instead of more taxes. Unlike Saskatchewan, which balanced its budget by hiking taxes by \$4,500 per family since 1991, the Filmon government has doggedly controlled its spending while leaving tax rates alone. Manitoba's family tax burden is now among the lowest in Canada."

This is from Peter Holle, who is from the Taxpayers Association. He goes on to say that Mr. Filmon, on behalf of the taxpayers, well done, just another endorsement by some people who have sometimes been critical of some of the things we have been doing but these kinds of things are really good.

On the balanced-budget legislation that Mr. Stefanson proposed yesterday, it goes on to talk about the debt repayment and also the taxpayer protection act, as it will require that future deficits not occur and also force a referendum before any major taxes can be increased.

One of the most important things is to establish a 30-year plan to pay off Manitoba's \$7-billion debt. I think this is one of the most important items. This will make, if we go on year over year, more money available for us to

spend on some of our important programs such as health care, education and family services.

I think it is just great legislation. Mr. Stefanson also goes on to say that a balanced budget a year ahead of schedule, which was scheduled for next year, and a \$48-million surplus in '95, was announced also.

This is the first time we have had a surplus in Canada—\$48 million. I think the fact that we are going to pay down the debt over 30 years will certainly make more money available for some of the other programs though. It is a step in the right direction.

This budget—

**An Honourable Member:** Forty-eight million dollars? You mean to tell me it is \$48 million?

**Mr. Helwer:** Forty-eight million dollars. That is the budgeted surplus for the '95-96 budget year. I am sure that this will occur.

This budget opens the door to an era of fiscal stability and deficit-free budgets, growth and prosperity for our province. We are achieving this without burdening our electorate with any new increase in major taxes.

In fact, Mr. Speaker, the budget legislation will take out of the hands of the politicians the power of increasing major taxes without first taking it to the people for a referendum.

We are a government of the people and the people of Manitoba will tell government when and if taxes will go up. This will also be the eighth year that this government has not raised any major taxes. This is because we have listened to the people of Manitoba, and they have told us that they have been burdened with enough tax hikes of previous administrations. This government has listened to the people, not for one year only or not for two—this is the eighth year in a row and, frankly, no new taxes, no new income taxes.

**Mr. Speaker:** Order, please. When this matter is again before the House, the honourable member for Gimli will have 30 minutes remaining.

The hour being 6 p.m., this House now adjourns and stands adjourned until 10 a.m. tomorrow (Friday).



# LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, March 16, 1995

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