



Second Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS
(Hansard)**

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authority of
The Honourable Louise M. Dacquay
Speaker*



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LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, April 2, 1996

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

READING AND RECEIVING PETITIONS

Immigration Policy

Madam Speaker: I have reviewed the petition of the honourable member for Broadway (Mr. Santos). It complies with the rules and practices of the House (by leave). Is it the will of the House to have the petition read?

Some Honourable Members: Dispense.

Madam Speaker: Dispense.

WHEREAS Manitoba has been immeasurably enriched socially, economically and culturally by immigrants and their families, and;

WHEREAS it was for this reason that successive provincial and federal governments have encouraged immigration to Manitoba, and;

WHEREAS since 1993, the current federal Liberal government has reversed these policies by instituting a series of changes making immigration more difficult; and

WHEREAS the 1994 changes in quotas for family reunification class of immigrants were unfair and punitive; and

WHEREAS the fee increases for immigrants instituted in the 1995 federal Liberal budget are neither fair nor justifiable and border on racism, and;

WHEREAS the new \$975 fee being imposed on adult immigrants is more than many immigrants make in

their home country in an entire year, and will make it even more difficult for people from these countries to immigrate to Canada;

WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba may be pleased to request that the Government of Canada cancel these fee increases and instead institute policies that will encourage immigration to Manitoba.

Emergency Health Care Services— Community Hospitals

Madam Speaker: I have reviewed the petition of the honourable member for Radisson (Ms. Cerilli). It complies with the rules and practices of the House. Is it the will of the House to have the petition read?

Some Honourable Members: Yes.

Madam Speaker: Yes. The Clerk will read.

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

THAT on at least six occasions during the 1995 provincial election the Premier promised not to cut health care services; and

THAT following the election the Minister of Health promised that emergency services would not be reduced at community hospitals in Winnipeg; and

THAT the Minister of Health on October 6 announced that emergency services at these hospitals would be cut back immediately; and

THAT residents of Winnipeg and surrounding communities depend on emergency service at these community hospitals.

WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba go on record

requesting the Premier to consider maintaining 24-hour access to emergency health care at community hospitals in Winnipeg as was promised in the 1995 general election.

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

Some Honourable Members: Dispense.

Madam Speaker: Dispense.

THAT on at least six occasions during the 1995 provincial election the Premier promised not to cut health care services; and

THAT following the election the Minister of Health promised that emergency services would not be reduced at community hospitals in Winnipeg; and

THAT the Minister of Health on October 6 announced that emergency services at these hospitals would be cut back immediately; and

THAT residents of Winnipeg and surrounding communities depend on emergency service at these community hospitals.

WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba go on record requesting the Premier to consider maintaining 24-hour access to emergency health care at community hospitals in Winnipeg as was promised in the 1995 general election.

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

Standing Committee on Privileges and Elections First Report

Mr. Jack Penner (Chairperson of the Standing Committee on Privileges and Elections): Madam Speaker, I would like to present the First Report of the Committee on Privileges and Elections.

Some Honourable Members: Dispense.

Madam Speaker: Dispense.

Your Standing Committee on Privileges and Elections presents the following as its First Report.

Your committee met in camera on January 11, 1996, at 10 a.m. and on January 25, 1996, at 8 a.m. in the board room of 1023-405 Broadway Avenue to consider the matter of the selection of persons suitable and available to be appointed as Ombudsman for the Province of Manitoba as referred to in subsections 2(1), 2(2) and 2(3) of The Ombudsman Act.

At the January 11, 1996, meeting, your committee elected Mr. Penner as chairperson and Mr. Helwer as vice-chairperson.

Also at the January 11, 1996, meeting, your committee accepted the resignations of Honourable Mr. Praznik, Honourable Mrs. Mitchelson, Honourable Mr. Pallister and Mr. Martindale as members of the committee and elected Honourable Mr. Cummings, Mr. Newman, Mr. Kowalski and Mr. Mackintosh to replace them.

Two hundred and eight (208) applications were received for the position of Ombudsman. On January 11, 1996, it was agreed that interviews be held with four candidates. Interviews were held on January 25, 1996.

Your committee has agreed to make its report to the Lieutenant-Governor-in-Council with the unanimous recommendation that Mr. Barry Tuckett be appointed as Ombudsman for the Province of Manitoba.

Mr. Penner: I move, seconded by the honourable member for Morris (Mr. Pitura), that the report of the committee be received.

Motion agreed to.

Standing Committee on Rules of the House First Report

Mr. Marcel Laurendeau (Chairperson of the Standing Committee on Rules of the House): Madam Speaker, I beg to present the First Report of the Standing Committee on Rules of the House.

Some Honourable Members: Dispense.

Madam Speaker: Dispense.

Your committee met on Thursday, February 22, 1996, at 10 a.m. and on Tuesday, March 12, 1996, at 1 p.m. in Room 255 of the Legislative Building to consider matters referred.

At the February 22, 1996, meeting, your committee elected Mr. Laurendeau as vice-chairperson.

At the February 22, 1996, meeting, your committee accepted the resignations of the Honourable Mr. McCrae, Hon. Mr. Downey, and Mr. Penner as members of the committee, and elected Mr. Helwer, Mr. Lamoureux and Mr. Sveinson to replace them.

At the March 12, 1996, meeting, your committee accepted the resignations of the Honourable Mrs. McIntosh and Ms. Barrett as members of the committee, and elected Mr. Radcliffe and Mr. Mackintosh to replace them.

Your committee has agreed to the following provisional changes to the rules, and recommends them to the House to come in force on the day following concurrence, and to be in effect until November 30, 1996:

1) *THAT present Rule 2 be repealed and the following Rules substituted therefor:*

Spring and Fall Sittings

2 *The House will normally sit in spring sittings and in fall sittings. The purpose of the spring sittings generally is to deal with the Throne Speech, Budget, Estimates, Finance Bills, and the introduction of legislation. The purpose of the fall sittings generally is to deal with legislation.*

Duration of Spring Sittings

2(1) *The spring sittings of the House will normally be twelve weeks or part thereof in*

duration and will conclude no later than the second Thursday in June.

Note: In the case of the spring sittings in 1996 the time used for the Throne Speech debate in November/December 1995 shall be deducted from the twelve weeks.

Duration of Fall Sittings

2(2)(a) *The fall sittings of the House will normally be eight weeks or part thereof in duration and will conclude no later than the last Thursday in November.*

(b) *Notice of the commencement date for the fall sittings shall be provided to the House not later than the beginning of the second week of the spring sittings.*

Extraordinary Circumstances

2(3) *The House may deviate from the sessional calendar outlined in sub-rules 2(1) and 2(2)*

(a) *while the House is adjourned, if the Speaker is satisfied, after consultation with the government, that the public interest requires that the House should meet at an earlier time; or*

(b) *while the House is in spring or fall sittings, if a motion to exceed the concluding dates specified in sub-rules 2(1) and 2(2) is passed by the House.*

2.1 *That subject to the agreement of the House Leaders of the Government, the Official Opposition and other Recognized Opposition Parties, notwithstanding Rule 2, the Government may introduce at a Spring or Fall session business other than that referred to in Rule 2.*

Daily Sittings

3 *The House shall ordinarily meet each Monday, Tuesday, Wednesday and Thursday that is not a holiday.*"

2) *THAT present Rule 3 be repealed and the following Rule substituted therefor:*

Hours of Sitting

"4(1) *Subject to sub-rules 4(3) and (4), the House shall normally sit from 1:30 p.m. to 5:30 p.m. on Mondays, Tuesdays, Wednesdays and Thursdays and at 5:30 p.m. the Speaker shall adjourn the House without question put.*

During Throne Speech & Budget Debates

4(2) *During debate of the motion for an Address in Reply to the Speech from the Throne and during debate of the motion for approval by the House in general of the budgetary policy of the Government, the House will sit on Fridays from 10 a.m. to 12:30 p.m., and these Fridays will not be committee days.*

Adjournment on Thursdays during Spring Sittings

4(3) *During the spring sittings, after the Throne Speech Debate and Budget Debate are concluded, the Speaker will normally adjourn the Thursday sitting on Friday at 3 p.m. to accommodate the sittings of the Committee of Supply on Friday.*

Private Members' Business during Spring Sittings

4(4) *During the spring sittings, the House will meet on Thursdays from 10 a.m. to 12:00 p.m. to consider Private Members' Business. The House will resume at 1:30 p.m. for Routine Proceedings and Government Business.*

Note: See Appendix E for chart of sitting hours."

3) *THAT present Rule 19 be revised to read:*

Daily Routine

"19(1) *The ordinary daily routine of business in the House shall be as follows:*

Presenting Petitions

Reading and Receiving Petitions

Presenting Reports by Standing and Special Committees

Ministerial Statements and Tabling of Reports

Notices of Motion

Introduction of Bills

Oral Questions

Members' Statements

Grievances

Order after Routine Business

19(2) *The order of business for the consideration by the House, day by day, after the daily routine shall be as follows:*

Government Business

Orders for Return and Addresses for Papers Committee of the Whole House, for consideration of Bills

Report Stage, Bills reported from Committees Government Bills - Third Readings, Second Readings

Government Motions

Opposition Day Motions

Private Members' Business

(10:00 a.m. to 12:00 p.m. Thursdays during spring sittings and 4:30 p.m. to 5:30 p.m. each Monday to Thursday during fall sittings.)

Monday

Private Members' Resolutions

Private Bills

Public Bills by Private Members

Orders for Returns and Addresses for Papers referred for debate

Tuesday

Private Bills
Public Bills by Private Members
Private Members' Resolutions
Orders for Returns and Addresses for
Papers referred for debate

Wednesday

Orders for Returns and Addresses for
Papers referred for debate
Private Members' Resolutions
Private Bills
Public Bills by Private Members

Thursday

Public Bills by Private Members
Private Bills
Private Members' Resolutions
Orders for Returns and Addresses for
Papers referred for debate

Two Separate Periods

19(3) *Private Members' Business on*
Thursdays during the spring sittings shall
consist of two separate periods, each one
considering a different category of Private
Members' Business.

Business To Be Considered

19(4) *At the first Private Members'*
Business period on the first Thursday during the
spring sittings the business scheduled by sub-
rule (2) to be taken up on Mondays shall be
considered; during the second period on the
same Thursday the business scheduled by sub-
rule (2) to be taken up on Tuesdays shall be
considered; during the first period on the
second Thursday, the business scheduled by
sub-rule (2) to be taken up on Wednesdays shall
be considered; and, during the second period
on the second Thursday the business scheduled
by sub-rule (2) to be taken up on Thursdays
shall be considered.

Rotational Sequence

19(5) *For the remaining Thursdays*
during the spring sittings the rotational
sequence established by sub-rule (4) shall be
followed.

Tabling Documents

19(6) *A member presenting a report to the*
House shall do so by stating that he is "tabling"
a document.

Announcements or statements of policy by
Ministers of the Crown

19(7) *A Minister of the Crown may make*
an announcement or statement of government
policy at the time in the ordinary daily routine
of business appointed for ministerial statements
and tabling of reports, and a spokesman for
each of the parties in opposition to the
government may make a brief comment with
respect to the announcement or statement and
the comments shall be limited to the facts which
it is deemed necessary to make known to the
House and should not be designed to provoke
debate at that time. Copies of the
announcements or statements shall be made
available to leaders of parties and the Speaker
at the time the announcement or statement is
made.

Question Period

19(8) *The time allowed for question*
period prior to the calling of the Orders of the
Day shall not exceed 40 minutes.

Members' Statements - Five Statements Per
Day, Statements Two Minutes in Length

19(9)(a) *On each sitting day, up to five*
members may be recognized to make a
Members' Statement on any matter.

(b) *Each statement shall be no more than two minutes in duration.*

Restrictions on Scope of Members' Statements used by Ministers of the Crown

19(10) *A Minister of the Crown may not use the time allotted for Members' Statements to comment on government policy or ministerial or departmental action.*

Member to Speak Only Once on Grievance - Grievance not to be raised during Throne Speech and Budget Debates

19(11)(a) *A Member may not raise or speak to a grievance on more than one occasion during a session of the Assembly.*

(b) *Grievances shall not be considered while the motion for an Address in Reply to the Speech from the Throne or while the motion for approval by the House in general of the budgetary policy of the Government are on the Orders of the Day for consideration by the House.*

Grievances 15 Minutes Each, with No Restriction on Subject Matter

19(12)(a) *Each member is entitled to speak for no longer than 15 minutes on a grievance.*

(b) *There shall be no restriction on the subject matter raised in a grievance.*

No Limit on Number of Grievances

19(13) *There is no restriction on the number of grievances that may be raised on any given day.*

Debate Terminated Same Day

(19)(14) *Any grievance is terminated when the House adjourns and shall not be continued*

or resumed at the next or any subsequent sitting of the House.

4) *THAT the following new Rule and heading be added immediately after present Rule 19:*

Number of Opposition Days

19.1(1) *In each session there shall be up to 3 sitting days to be known as Opposition Days, but not more than 2 such days shall be scheduled in either the spring or the fall sittings.*

Distribution of Opposition Days

19.1(2) *Opposition Days shall be distributed among the Recognized Opposition Parties in proportion to their membership on the opposition side of the House.*

Government House Leader to Announce

19.1(3) *After consultation with the Recognized Opposition Parties, the Government House Leader, from time to time, will announce the date or dates which are to be designated Opposition Days.*

Two Sitting Days Notice

19.1(4) *In accordance with sub-rule 51(1)(d) and notwithstanding sub-rule 55(2), two sitting days notice of an Opposition Day Motion, filed with the Clerk by a member of a Recognized Opposition Party, shall be printed in the Order Paper.*

If more than one notice

19.1(5) *If more than one notice of an Opposition Day Motion is received, the Speaker shall select one for debate, taking into consideration the order in which they were received.*

Time Limit

19.1(6) *During debate of an Opposition Day Motion no member shall speak longer than ten minutes.*

Not for Second or Third Reading

19.1(7) *No motion under this Rule shall be for Second or Third Reading of a Bill.*

Not a non-confidence motion

19.1(8) *No motion under this Rule shall be a motion of non-confidence in the government.*

Not during Throne Speech or Budget Debates

19.1(9) *No sitting day shall be designated an Opposition Day during consideration of the motion for an Address in Reply to the Speech from the Throne or the motion to approve in general the budgetary policy of the Government.*

Only one per week

19.1(10) *Only one Opposition Day may be designated during any week the House meets.*

First item of business

19.1(11) *A motion to be debated on an Opposition Day shall be considered as the first item of business under Orders of the Day.*

Debate limited to one sitting day

19.1(12) *Debate on an Opposition Day Motion shall be limited to one sitting day; thirty minutes before the ordinary time of daily adjournment the Speaker shall interrupt the proceedings and forthwith put every question necessary to dispose of the motion and any amendments thereto."*

5) *THAT present sub-rule 21(1) be repealed and the following substituted therefor:*

Orders not taken up

"21 Subject to Rule 63.9, questions, notices of motions by members, and orders not taken up or proceeded with when called, may be allowed to stand and retain their precedence; otherwise they shall be removed from the Order Paper."

6) *THAT present sub-rule 21(2) be repealed.*

7) *THAT present sub-rule 21(3) be repealed.*

8) *THAT present Rule 22 be repealed.*

9) *THAT present Rule 22.1 be repealed.*

10) *THAT present Rule 61 be revised and added as a sub-rule to Rule 23:*

Amendments to Budget Motion

"23(3) Only one amendment and one sub-amendment may be accepted to the motion for approval by the House in general of the budgetary policy of the Government."

11) *THAT present sub-rules 23(3), (4) and (5) be renumbered as sub-rules 23(4), (5), and (6).*

12) *THAT present Rule 26.1(1) be repealed.*

13) *THAT present sub-rule 26.1(2) become new sub-rule 19(8).*

14) *THAT present sub-rule 26.1(3) become new sub-rule 19(14).*

15) *THAT present sub-rule 27(1) be revised to read:*

Setting aside ordinary business of the House

"27(1) After Grievances in the routine business of the House and before the Orders of the Day, any member may move to set aside the ordinary business of the House to discuss a matter of urgent public importance, of which he has given prior notice to the Speaker not less than ninety minutes prior to the sitting of the House."

- 16) THAT present sub-rule 27(3) be revised to read:

Procedure on Motion

"27(3) After any explanation made under sub-rule (2), the Speaker shall rule on whether or not the motion under sub-rule (1) is in order and of urgent public importance, and if he rules in favour of the motion, he will then put the question "Shall the debate proceed?" to a vote of the House. Notwithstanding sub-rule 5(1), the ruling of the Chair shall not be subject to appeal."

- 17) THAT present sub-rule 27(4) be revised to read:

Idem

"27(4) If the House determines by its vote to set aside the normal business of the House to discuss a matter of urgent public importance, each member who wishes to speak in the discussion shall be limited to ten minutes. The debate on the matter of urgent public importance shall not exceed two hours in duration. On conclusion of the debate the House shall proceed to Orders of the Day."

- 18) THAT present sub-rule 21(4) be repealed and replaced by the following sub-rule to be added to Rule 27:

Business not to Stand Over

"27(6) Any debate on a motion made under sub-rule 27(1) is terminated when the time

allotted for the debate has expired, or when the House adjourns on the day of the debate prior to the expiration of the two hour time limit, and shall not be continued or resumed at the next or any subsequent sitting of the House."

- 19) THAT present sub-rules 33(1) and 33(2) be revised to read:

Speeches Limited to Thirty Minutes

33(1) Subject to sub-rule (2), and unless otherwise specified, no member shall speak for more than thirty minutes in any debate, except

- (a) the Leader of the Government;*
- (b) the Leader of the Opposition;*
- (c) the Leaders of other Recognized Opposition Parties;*
- (d) a Minister moving a government order;*
- (e) a member making a motion of "no confidence of the Government", or*
- (f) the Minister replying thereto.*

33(2) The Leader of the Government, the Leader of the Opposition or a Leader of a Recognized Opposition Party may each designate one member to speak in a debate for such time as he desires and that member may speak in that debate for such period as he desires if

- (a) the Leader of the Government, the Leader of the Opposition or the Leader of the Recognized Opposition Party or that member on his behalf has given prior notice of the designation to the Speaker; and*
- (b) the Leader of the Government, the Leader of the Opposition or the Leader of the Recognized Opposition Party on whose behalf that member is to speak, whoever has given the notice, has not previously spoken in the debate for more than 30 minutes;*

and if the member designated speaks in the debate, the Leader of the Government, the Leader of the Opposition or the Leader of the Recognized Opposition Party, on whose behalf that member has spoken, whoever has given notice of the designation, shall not speak in that debate for more than 30 minutes."

- 20) THAT present sub-rule 33(3) be revised to read:

Speeches during Private Members' Business

"33(3) Notwithstanding sub-rules (1) and (2), speeches during Private Members' Business or during debate on a private member's order called by the government pursuant to sub-rule 20(2) shall be limited to fifteen minutes."

- 21) THAT present sub-rule 37(3) be revised to read:

Limitation

"37(3) This Rule does not apply to a debate on a motion for an Address in Reply to the Speech from the Throne or debate on a motion to approve in general the budgetary policy of the Government."

- 22) THAT the following new paragraph be added to present Rule 51(1):

"51(1)(d) Notwithstanding other provisions of this rule, two sitting days notice are required for a motion to be debated on an Opposition Day."

- 23) THAT the following new Rule be added immediately after present Rule 51:

Issue of Special Order Paper

"51.1(1) Where the government, in the period prior to the first session of a Legislature, during a prorogation or when the

House stands adjourned, has advised the Speaker that any government measure or measures should have immediate consideration by the House, the Speaker, notwithstanding sub-rule 51(2), shall cause notice of any such measure or measures to be printed in a Special Order Paper to be published and circulated three days prior to the opening or resumption of such session.

If Speaker unable to act

51.2(2) In the event the Speaker is unable to act owing to illness or other cause, the Deputy Speaker shall act for him or her for the purposes of this Rule. In the unavoidable absence of the Speaker and the Deputy Speaker or when the office of Speaker is vacant, the Clerk shall perform the duties of the Speaker under this Rule."

- 24) THAT present Rule 60 be revised to read:

Withdrawing motions

"60 Notwithstanding Rule 89(3), a member who has made a motion may withdraw it with the unanimous consent of the House."

- 25) THAT the following new sub-rule be added immediately after present Rule 64(1):

Quorum in the Committee of the Whole

"64(2) The presence of at least ten members in a Committee of the Whole House is necessary to constitute a meeting of the Committee, for the exercise of its powers."

- 26) THAT the following sub-rule be added to present Rule 64:

Committee of Supply Hours

"64.2 The Committee of Supply shall normally sit during the spring sittings on Mondays, Tuesdays, Wednesdays and

Thursdays after Routine Proceedings, and shall sit on Fridays from 9 a.m. to 12 noon and from 1:00 p.m. to 3:00 p.m. The sitting hours on Fridays may be varied by unanimous consent of the Committee of Supply, or a section thereof."

27) THAT present Rule 64.1(1) be revised to read:

Time Limit

"64.1(1) In accordance with Rule 65, not more than 240 hours shall be allowed for consideration of ways and means and supply resolutions respecting main, interim, capital and supplementary supply estimates and for the consideration in Committee of the Whole of the relevant Supply Bills."

28) THAT the following be added as a new Rule 65:

Completion of the budgetary process

"65 Notwithstanding Rule 89, the budgetary process, including consideration of ways and means and supply resolutions respecting interim, main, capital and supplementary estimates and consideration of all stages of interim, main, capital and supplementary supply bills, shall normally be completed not later than the final day of the spring sittings."

29) THAT the following be added as a new Rule 65(6.1):

Quorum not required during Friday sittings

"65(6.1) Notwithstanding sub-rule 64(2), when the Committee of Supply is sitting on a Friday, there is no requirement to maintain a quorum."

30) THAT present sub-rule 65(7.3) be revised to read:

Voting to be completed

"65(7.3) Where, pursuant to sub-rule (7.1), a formal vote has been commenced before the normal adjournment hour but has not been completed by that hour, notwithstanding rule 64.2, the conduct of the vote shall not be interrupted and shall be continued until it is completed whether or not those proceedings continue after the normal adjournment hour."

31) THAT present sub-rule 65(8) be repealed.

32) THAT present sub-rule 65(9) be repealed and the following sub-rule substituted therefor:

Sitting on Fridays

"65(9) Where the Committee of Supply, or a section of the Committee of Supply, is sitting on a Friday during the spring sittings,

(a) the Chairperson or Deputy Chairperson of the Committee shall proceed to put motions as the course of the business of the Committee dictates but shall not accept

(i) any vote that defeats a motion approving an item in the estimates of the government, or

(ii) any vote that passes a motion varying an item in the estimates of the government;

(b) where two members demand that a formal vote be taken, the Chairperson or Deputy Chairperson of the Committee shall defer the vote on the motion until the next sitting of the Committee of Supply in the Chamber; and

(c) the estimates of a new department may be introduced on a Friday during the spring sittings."

33) THAT present rule 65(11) be repealed and the following Rule substituted therefor:

Business after Committee of Supply Rises on a Friday

“65(11) Where the Committee of Supply sits on a Friday during the spring sittings, and after the Committee rises, any motion except a motion to adjourn the House or a concurrence motion provided for by Rule 65.2 is out of order.”

34) THAT present sub-rule 65(13) be repealed.

35) THAT present paragraph 65.1(4)(b) be revised to read:

Extended sitting hours

“65.1(4)(b) in the afternoon, from 1:30 p.m. to 5:30 p.m.; and”

36) THAT present sub-rule 65(1) be repealed and the following sub-rules substituted therefor:

Speeches - 10 minutes

“66(1) Except as provided in sub-rule (2), speeches in Committee of Supply, including those of Ministers, shall be restricted to 10 minutes.

Minister’s and Critic’s opening addresses

66(2) The address of a Minister introducing the estimates of a department and the corresponding opening address of the critic from any Recognized Opposition Party, shall be restricted to 30 minutes.”

37) THAT the following new Rule be added immediately after present Rule 69:

Committee Days

“69(1)(a) Standing and Special Committees may meet as scheduled by the Government House Leader during fall sittings on Fridays from 10 a.m. to 12 noon and from 1:00 p.m. to 3:00 p.m. These hours may be varied by unanimous consent of the committee.

69(1)(b) In addition, committees may meet at other times as scheduled by the Government House Leader.”

38) THAT present sub-rule 74(4) be revised to read:

Idem

“74(4) Concurrence by a private member will be debated during Private Members’ Business.”

39) THAT present Rule 82 be repealed and the following Rule substituted therefor:

Application of Chapter

“82 Except where a provision of Chapter XIV (Private Bills) is inconsistent with a provision of this Chapter, and unless otherwise specified, this Chapter applies to all Bills, whether Public or Private.”

40) THAT present sub-rule 87(1) be repealed and the following Rules substituted therefor:

Spring timetable for government bills

“87 All government bills are to be introduced, read a first time, printed, distributed and moved for Second Reading not later than the last day of the spring sittings of that Session.

88(1) Every Bill shall receive three separate readings, on different days, before being passed.

88(2) By leave of the House, a Bill may be read twice or thrice, or advanced two or more stages in one day.

88(3) Every Bill shall be read twice in the House before being referred to a Committee or amended.

88(4) Every Bill, after having been read a second time, shall stand referred a Committee and all petitions before the House, for or against the Bill, shall stand referred to that Committee."

41) THAT the following new Rule be added following present Rule 87:

Fall timetable for government bills

"89(1) Notwithstanding Rule 65 and subject to sub-rules (2) and (3), all government bills will normally receive a vote on Third Reading not later than the last day of the fall sitting of that session.

89(2) Where a committee agrees to not report a bill, the bill cannot proceed to the remaining stages of the legislative process.

89(3) The government, notwithstanding Rule 60, may withdraw a bill, at any stage, by a Minister of the Crown rising in his or her seat and informing the House of the withdrawal."

42) THAT the following be added as Appendix E:

APPENDIX E

SPRING SITTINGS

	Monday	Tuesday	Wednesday	Thursday	Friday (Committee Day)
9 a.m. to 12 noon					Committee of Supply*
10:00 a.m. to 12:30 p.m.				Private Members' Business (10:00 a.m. to 12:00 p.m. only)	Routine Proceedings and Government Business (only during Throne Speech debate and Budget Debate)
1:00 p.m. to 3:00 p.m.					Committee of Supply*
1:30 p.m. to 5:30 p.m.	Routine Proceedings & Committee of Supply	Routine Proceedings & Committee of Supply	Routine Proceedings & Committee of Supply	Routine Proceedings & Committee of Supply	

*Committee of Supply normally commences after Throne Speech and Budget Debates conclude

FALL SITTINGS

	Monday	Tuesday	Wednesday	Thursday	Friday
10 a.m. to 12 noon					Committees may be scheduled
1:00 p.m. to 3:00 p.m.					Committees may be scheduled
1:30 p.m. to 4:30 p.m.	Routine Proceedings & Legislation	Routine Proceedings & Legislation	Routine Proceedings & Legislation	Routine Proceedings & Legislation	
4:30 p.m. to 5:30 p.m.	Private Members' Business	Private Members' Business	Private Members' Business	Private Members' Business	

Your committee agreed to defer consideration of changes to the practise of Private Member's Business to a future time.

Your committee agreed to authorize the Clerk's Office to incorporate gender neutral language in the revised rules.

Your committee agreed that the staff of the Clerk's Office be authorized to prepare and renumber a new version of the rule book.

Your committee agreed that the staff of the Clerk's Office be authorized to produce revised rules incorporating all of the amendments and additions to be available when the report of the committee is adopted.

Mr. Laurendeau: Madam Speaker, I move, seconded by the honourable member for Morris (Mr. Pitura), that the report of the committee be received.

Motion agreed to.

* (1335)

MINISTERIAL STATEMENTS

Ford World Curling Championship

Hon. Jim Ernst (Minister responsible for Sport): I have a statement for the House, Madam Speaker.

Madam Speaker, I am honoured to rise before the House today and join Manitobans in extending the congratulations of government members to Jeff Stoughton and his rink from the Charleswood Curling Club on winning the Canadian and World Curling Championships.

As the member for Charleswood and as Minister responsible for Sport, I can say I am especially proud of these gentlemen who represented their community, their city, their province, their country and their sport with so much class and dignity. For anyone who had an opportunity to witness any of the competitions, it was quite evident that the Stoughton rink clearly had the ability to maintain Manitoba's high curling regard at the global level. They may in fact have been the best rink we have ever had represent us at the World's, and there have been many. On and off the ice, they also demonstrated they were quality individuals worthy of being ambassadors of the province in such a high profile event.

As they add their names alongside those Manitobans who, through success at the international

level, have given our province a rich and historic curling heritage, I would ask all members to join me in saluting skip Jeff Stoughton, third Ken Tresoor, second Gary Vandenberghe, lead Steve Gould, fifth Darryl Gunnlaugson and coach Norm Gould on a well-earned, well-deserved World Men's Curling Championship and on behalf of all Manitobans thank them for the pride, distinction and recognition they have brought to our province.

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, I would like to respond to the minister's statement and join with him and with all members of this House in congratulating the Stoughton rink from the Charleswood Curling Club, the Manitoba representative, on their international championship that they won over the weekend. As the minister has indicated in his statement, it is a very, very high-quality curling team and they performed—as the minister has indicated—with dignity and grace and did exceptionally well in the tournament.

Curling, of course, is a very proud sport for Manitobans. Last year, we had two national champions and I believe two world champions from the province of Manitoba. If I recall correctly, the Stoughton victory at the Canadian championship I believe was the 25th or 26th time that Manitoba has won the Canadian championship in the history of the competition here in Canada. I know that the rink—winning the international championship just adds to the many distinctions that Manitoba curlers have provided for us and all Manitobans in terms of this international win.

I know there are members in this House who curl. I even know there are members of this House that have curled in the Manitoba bonspiels, and I know that they will have a lot of competition ahead of them with the excellent curling that we see here in the province of Manitoba.

Congratulations to all members of the Stoughton rink. Thank you.

Introduction of Guests

Madam Speaker: Prior to Oral Questions I would like to draw the attention of all honourable members to

the loge to my right, where we have with us today Mr. Chuck Strahl, the Member of Parliament for Fraser Valley East, and also to the loge to my left where we have with us this afternoon Ben Hanuschak, former Speaker and member for Burrows.

On behalf of all honourable members, I welcome you this afternoon.

* (1340)

ORAL QUESTION PERIOD

Pharmacare Reduction Announcement

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, my question is for the Premier.

Besides the unconscionable levels of cuts that this government has announced since we last sat in this Legislature, on Pharmacare, the government has totally botched the way in which they have announced these cuts to the people of Manitoba.

These are not our words; these are the words of pharmacists across the province of Manitoba. Some of them have said that the way in which the government has made these announcements has placed patients at risk and wastes money on drugs that may not be required by people because of the way in which the government has announced it.

I would like to ask the Premier, who is responsible for botching the Pharmacare cuts that his government has announced and what has he done to hold that person accountable?

Hon. Gary Filmon (Premier): Madam Speaker, I would like to thank the Leader of the Opposition for that thoughtful and reasoned question that he has put forward.

Unfortunately, the information that had been prepared for the release was under lock, as I understand it, in a print shop, and was in some way inadvertently released prior to its expected date. That being the case, clearly the people who have been responsible have had the appropriate action taken in

the sense that we have expressed our displeasure with that unfortunate error.

Having said that, the appropriate response to it was to have the announcement made in full so that the one small group of pamphlets that had been released was therefore not limited to that small group, and dealing with rumours or anything else, the government made the release known publicly.

I would say further to that that I am sure that there are professional ethics and professional requirements on both the doctors, the physicians and the pharmacists to deal in a safe manner with prescriptions for individuals.

Mr. Doer: A pharmacist was further quoted as saying that the way in which the government announced this information was actually dangerous and it was very ill-thought-out.

Now, given the fact that the pamphlet was both released early and also had false information in it, who in government was responsible for wrong information being released too early that created this chaos and confusion for people that are required to have drugs? Who is the Premier holding accountable?

Surely the Premier would expect his Minister of Health to read the material that affects so many Manitobans in terms of their cuts before it is sent to the printer to be released.

Mr. Filmon: Madam Speaker, in fact the material that had been released was under lock and key because changes were being made, and improvements to the benefit of recipients were being made to the program. Therefore, the new material was released to ensure that the improvements were announced publicly as opposed to the incorrect material that had been in the folder.

Mr. Doer: Madam Speaker, we can hardly call the announcement of the government improvements to the Pharmacare program. The Premier uses a very selective term that I do not believe Manitobans would agree with.

I would like to ask the Premier, is it not the responsibility of the minister that is sworn in on behalf

of Manitobans to read any pamphlet prior to them going over to a printer? Is it not the responsibility of the person allegedly in charge of the department to read those pamphlets prior to their distribution to the public? Who is in charge of the Department of Health, and whom is the Premier holding accountable for this botched system of Pharmacare now?

Mr. Filmon: Madam Speaker, the point that the member missed is that the information that was in those pamphlets was being corrected as a result of the fact that the minister, in reviewing the material prior to its release, had wanted to ensure that it reflected decisions that were made by the government and the Treasury Board, and that was not the case with respect to those folders, so the folders were held under lock and key while the improved version of that program—[interjection] I am speaking with respect to the folders that were there and the changes that were made to those folders. It was an improvement and a benefit to the individuals and the people of Manitoba and those folders were improved. Those program benefits were changed to the benefit of the people who would receive the support.

* (1345)

Education System Funding Reduction

Ms. Jean Friesen (Wolseley): Madam Speaker, across this province parents and trustees have been dealing with the really difficult decisions on the impact of the \$15-million cuts to education that this government has imposed. Trustees and parents are faced with cancelling programs, increasing class sizes, eliminating supplies and recognizing that they are unable to meet the many special needs of their students.

Would the Minister of Education, who may be the last person in this province to believe that her cuts are not affecting young Manitobans, would she share with the House today her own special secret of how a cut of \$15 million will enhance the quality of education?

Hon. Linda McIntosh (Minister of Education and Training): You know, Madam Speaker, I come to

work every day and sit down, and as I begin my work am very aware that the Minister of Finance (Mr. Stefanson) is figuratively writing a cheque for just under \$2 million every day of the week, every week of the year, every month of the year to cover off the interest payments on the debt that they left us, and I cannot believe that they have the gall to ask these kinds of questions given that \$15 million is what we spend in a week to pay off the interest on the debt they left us.

Having said that, as a signal of my frustration with the hypocrisy of those who pretend to care about money when they have left us with a situation they have left us, I would indicate that we have done a number of things in Education to try to assist with the fact that we are going to be facing massive transfer cuts from Ottawa, the equivalent of almost the entire operating budget at the University of Manitoba, plus the debt they left us. I say there are many ways in which we have changed the funding formula to allow some flexibility in how money is spent. We have embarked upon a review to get a handle on ways of managing the highest cost of education.

I will answer the rest of the question with the next one.

Ms. Friesen: Would the Minister of Education, in that same spirit of directness, that same willingness to take responsibility, acknowledge today full responsibility for the property tax increases of up to 17 percent that thousands of Manitobans across this province are facing as a result of her cuts?

Mrs. McIntosh: No is the short answer.

I say that the highest cost of education, of course, is wages. Boards have tried valiantly to get a handle on that cost. Boards, some of them, took advantage of Bill 22 days; others did not. Boards have made priorities in spending, some of them very wise decisions; others could have been more wise but it is their decision.

Teachers, as well, have the ability to make the decision by the amount they agreed to settle at the bargaining table for, and teachers have the power then to decide whether school boards will continue having to raise more money for salaries or not.

So there are many people who can affect the decisions as to the mill rates, the prime ones being, of course, those right at the table and indirectly impacted by federal transfer cuts to the equivalent of the University of Manitoba operating budget and the legacy of debt we inherited from them.

**Minister of Education
Lack of Confidence**

Ms. Jean Friesen (Wolseley): Will the minister tell us what steps she has taken in the last few weeks to restore the loss of confidence in her, as minister, expressed by her partners in education, parents, trustees, principals, superintendents and teachers right across this province?

Hon. Linda McIntosh (Minister of Education and Training): I do not accept the faulty premise upon which the question is based. I would indicate to the member that I am in far closer touch with some those groups than she is, and I would indicate that I regularly visit, weekly, schools in Manitoba, have had many very good discussions with parents who support this government completely in its thrust towards higher standards, assessment results.

I have spent hours in dialogue with teachers who have marked our language arts exams, who say it was the most exhilarating professional development experience in their careers. I will gladly put those people in touch with the member, since she is doing her—already the first day of the session—sarcastic laugh without knowing the content of the conversations I have had with those very same interests groups, so her premise is faulty.

I have concluded my response.

* (1350)

**Seven Oaks General Hospital
Closure**

Mr. Gord Mackintosh (St. Johns): My question is to the First Minister.

While the First Minister was off on his travels this winter, the Health minister has been considering recommendations to close Seven Oaks Hospital,

recommendations made by his Urban Health Planning partnership committee which admitted, and I quote: Also the recommendations will be costed to determine any cost savings.

My question for the First Minister: Now, especially in light of reports, including one from a member of the minister's committee, that the recommendations will in fact increase rather than decrease costs, would the Premier take this advice?

Do not reopen historic wounds by this all-out attack on the well-being of north Winnipeggers and commit and pledge to maintain our full-service community hospital we worked so long and hard for.

Hon. James McCrae (Minister of Health): Madam Speaker, the honourable member is already falling into the habit of assuming from what he reads in the newspapers that certain decisions are or have been already made. Those things have not happened. The design teams have indeed been busy putting proposals together, which come before the urban planning partnership, which is responsible for looking at the cost-effectiveness of all of these recommendations that are being made. That process is underway. It is not concluded, as the honourable member's question would suggest.

But I remind the honourable member that, unlike him, I cannot just pretend that we are not working in the fiscal environment that we are working in. Our federal partners are pulling back, the honourable members opposite have just finished being reminded that we are spending millions and millions of dollars all the time to pay for debt that they imposed upon us and future generations. It is that kind of environment we work in.

The honourable member's question takes no account whatever of that fiscal reality all provinces are working in.

Mr. Mackintosh: Would the minister, who ignores reports that the fiscal reality will worsen, would he just explain with this closing how the government, while providing needed and deserving direct community access to emergency surgical medicine and psychiatric services in eastern, western and southern Winnipeg,

can be so arrogant and so mean as to even consider ripping away such access from all the people of the northern part of this city?

Mr. McCrae: It is not a question of either of the traits the honourable member has referred to. Any government in Canada today is trying, all governments in Canada today are trying, to deliver the highest possible quality and volume of services with the dollars that they can make available. This government is under no different exercise than is going on elsewhere. This is not, by the way, Toronto, where a dozen hospitals have to close. This is not Saskatchewan, where 52 rural hospitals have to close. This is not Ontario, which, before Bob Rae left office, closed 10,000 hospital acute care beds. This is Manitoba.

The honourable member talks about closing. Well, what has been closed? The honourable member has to be accurate sometimes when he raises questions in the House, does he not?

There is nothing that has been closed and no proposals for closures have been acted on.

* (1355)

Mr. Mackintosh: Would the minister just listen to the thousands of rallying, petitioning, letter-writing families of north Winnipeg, indeed, enraged families of north Winnipeg? Just listen, and that should be consultation enough already, and now simply take our hospital's closing off the table, and that of Misericordia Hospital, so that no further consultations are even required.

Mr. McCrae: Madam Speaker, I will listen to Manitobans from wherever they come or wherever they live. The point is that we have to run a health system for all Manitobans. It is not an easy thing to do in this day and age, as the honourable member would probably want to agree. The fact is that people, wherever they live, are going to need services, and we are going to have to provide them. So we have to listen to stakeholders and consumers of health care services, which we have been doing for years, and which is the subject of ridicule from honourable

members opposite. First we listen too much and then on the other hand we do not listen enough.

You cannot have it both ways, Madam Speaker. I am doing exactly what the honourable member says on a daily basis.

Home Care Program Privatization

Mr. Dave Chomiak (Kildonan): Madam Speaker, in the cabinet document on the privatization of home care that we provided to the public because the government was afraid to announce the policy, in that document it says, quote, it is Manitoba health policy to divest all service delivery to nongovernment organizations.

My question to the Premier (Mr. Filmon): Can the Premier explain the reason behind that policy decision by his cabinet?

Hon. James McCrae (Minister of Health): Madam Speaker, in a staged way and in a way which causes as little disruption as possible, it is felt that the appropriate course is to take the direct service delivery part of home care and make it subject to competition, which we expect will bring about a cost-effectiveness and also bring about a higher quality of care.

Indeed, Madam Speaker, we have already been able to demonstrate that by bringing in the concept of competition, we can improve overnight, 24-hour, seven-day-a-week service. We have shown that we can bring forward home intravenous therapy programs and that we can provide backup services for the rest of the home care system which is not always able to guarantee its services, for whatever reasons. The fact is we have not been able to guarantee services. We want to do that, and we are going to have more and more, not less and less, but more and more clients for home care in the coming years, and we are going to have to find some cost-efficiencies so that we can provide service to all those people. That is what we are doing.

Mr. Chomiak: Madam Speaker—

Madam Speaker: Order, please. I am experiencing some difficulty hearing the honourable member for Kildonan.

Mr. Chomiak: Madam Speaker, can the Minister of Health confirm that one of the reasons the government is privatizing home care is because of recommendations from the government's very good friend Connie Curran, who had a contract to produce a home care action plan which the minister has never made public? Can the minister confirm that it was Connie Curran who recommended the privatization of health care?

Mr. McCrae: I would not confirm or deny anything about who has recommended that. There are a lot of Manitobans, Madam Speaker, who think we can do a better job in home care, including me. I have felt for a long time that the fact we cannot guarantee services to people, that when a publicly employed person is on vacation, the program that we find so very useful still has not been able to provide guarantees that you can get your care when someone is on holidays. Or if somebody calls in sick, it is not fair to me, I do not think, to tell the family of a client or to tell the client, well, sorry, you are going to have to look after your own. That is not good enough.

We are trying to find better ways to deliver those services and whether it was Connie Curran or whether it was the honourable member opposite at one time or another or Peter Olfert or Michael Decter—Peter Olfert speaks very highly of the competitive system that produced 24-hour-a-day, seven-day-a-week service. He said so, as reported in the Winnipeg Free Press that he is very proud of that. It would not have happened if it had not been for a private contractor providing the service, Madam Speaker.

Mr. Chomiak: Madam Speaker, can the First Minister or the Minister of Health explain how it is more fair and how they can provide more service by providing millions and millions of dollars to friends of theirs in the private sector to provide home care and fracture the system and spread money around and cause increased administration costs and change the kind of care provided to patients, how that is going to improve the quality of patient care?

Mr. McCrae: I would like the honourable member to share with me his profit margin estimates so that he can show me how it is that millions and millions of dollars will go into the pockets of individuals. That

certainly is a red herring that honourable members opposite, because of their philosophical approach to things, like to bring forward.

We take a more pragmatic approach on this side of the House. We want to provide services to people, and we are looking for ways to do that in the most cost-efficient way. Competition is one way that has demonstrated many, many times that the result can be improvement, and we fully expect that to be the case, or we would not be embarked in this process.

Community Hospitals Government Commitment

Mr. Kevin Lamoureux (Inkster): Madam Speaker, shortly we are going to be receiving the '96-97 budget of this government. That budget, and the theme of that budget, is going to clearly demonstrate that this is a government that does not have compassion, is not a caring government.

I want to ask the Premier (Mr. Filmon) a question regarding health care, or possibly the Minister of Health, whichever feels more comfortable.

My question is based on the 1992 action plan that was tabled by the then minister Don Orchard, which clearly demonstrated that the community hospital is the future when we talked about the deinstitutionalization of health care. We have seen a 360-degree turn from this minister.

My question to the minister is, what is the vision of this government when it comes to health care? Does it have a vision? Does it believe in community hospitals—

* (1400)

Madam Speaker: Order, please. The question has been put.

Hon. James McCrae (Minister of Health): True to the document brandished today by the honourable member, yes, Madam Speaker, unlike the honourable member and his friends in Ottawa, yes, we have compassion, yes, we are committed to that document, and yes, we are committed to community hospitals.

Mr. Lamoureux: Madam Speaker, I ask the Minister of Health, how can he say yes he is committed to this document when this document is very clear in indicating that we need to expand our community hospitals, not cut them back, not close down the Seven Oaks Hospital, not convert the Misericordia Hospital.

How can he explain that contradiction?

Mr. McCrae: We have, in the city of Winnipeg, five community hospitals. The honourable member suggests we expand. Will he please put before this House how many more community hospitals he thinks we can have here in the city of Winnipeg when he says we need to expand?

If we had that on the table we would have something to discuss.

Home Care Program Privatization

Mr. Kevin Lamoureux (Inkster): My question to the Minister of Health is, with the recent announcement in terms of the home care policy of this government, we ultimately believe that you are going to see the establishment of a two-tier system; those that have the economic means will be delivered a better service than those who do not.

My question to the minister is, how is this minister prepared to assure Manitobans that there will be one tier of home care services and that the workers that deliver that service are in fact going to be able to enter into that profession as a career, not as a minimum wage job?

Hon. James McCrae (Minister of Health): The honourable member is asking a couple of things. He is asking about the concept of a two-tier medical system, and then he sort of imports into his question the labour aspect of it. I do not know which one he wants me to answer, but certainly we are clearly on the record—and by the way, in raising the question the way he does he falls into the trap laid for him by honourable members opposite in the New Democratic Party and throws his lot in with them and their union boss friends, all of which is somewhat strange

considering he is a great supporter of the federal Liberal government which year after year removes from our health budgets dollars with which to build new community hospitals.

He still has not told us how many he wants us to build, but I can tell you it is not our policy to build any more. I will just put that on the record, and the honourable member might want to put on the record how many additional ones he would build.

He asks his questions ignoring altogether that in Saskatchewan, for example, there are user fees for home care. There are not in Manitoba. He forgets altogether the fact that in Liberal provinces to the east, there are either user fees or contracting out going on in those provinces. So we would like to understand the honourable member, where he is coming from.

Hog Industry Levy Collection

Ms. Rosann Wowchuk (Swan River): Madam Speaker, hog producers across the province continue to be frustrated with this Minister of Agriculture. The Minister of Agriculture, on December 15, said his department would be looking into the collection of the outstanding levies, and he made that same commitment to the producers at Selkirk that the levies would be collected.

I want to ask the minister if he can tell us what his department has done to ensure that the levies have been collected and whether or not there are still outstanding levies and how much.

Hon. Harry Enns (Minister of Agriculture): Madam Speaker, allow me to make it very clear to the honourable member for Swan River that the responsibility for the collection of levies under law and regulation are those of the duly organized established agency, Manitoba Pork. It is entirely within their responsibility to ensure that these levies be collected. I have assisted Manitoba Pork by calling in some of the principals, of those who have been in arrears in forwarding these levies to Manitoba Pork, and let it be known very clearly that this government expects all levies owing to Manitoba Pork to be paid.

My understanding is that most of them, if not all of them, have in fact been paid. I would have to defer to specific advice from Manitoba Pork, but certainly the biggest amount of them have been paid, and my expectation is that all of them will be paid upon the implementation of the more flexible marketing system which will commence on July 1.

Ms. Wowchuk: Madam Speaker, I want to ask the minister why he made a commitment in the House that they would be looking into the matter when he says that his department cannot do anything. They have, in fact, not taken any action and in fact there is \$300,000 in levy outstanding.

Why did he say in December that they would be doing something when in actual fact his department has done nothing to collect these levies?

Mr. Enns: Madam Speaker, I appreciate the format that we have fallen under. I mean opposition members get to ask three questions and even though they get the answer in the first question they ask, they have to persist carrying on with the second question.

Madam Speaker, the Department of Agriculture, the Manitoba government, does not have the responsibility, more importantly, the legal statutory authority to collect the levies. Manitoba Pork does. I have made it very plain that I expect all levies to be fully paid up prior to any change in the marketing structure.

Ms. Wowchuk: Madam Speaker, since the minister says he expects all levies to be collected, and there are outstanding levies, some \$300,000, is the minister telling us then that he will not move towards dual marketing, he will stay with the same system if those levies are not collected? He expects them to collect it. They do not have the ability to collect them. Is he going to delay dual marketing?

Madam Speaker: Order, please. The question has been put.

Mr. Enns: The honourable member is simply wrong. Manitoba Pork has the ability to collect them, and if they are not voluntarily offered, then there are procedures prescribed under the regulations to enforce

the collection of any outstanding levies. I believe she is also wrong in the figures that she is quoting.

My understanding is the bulk of the levies have in fact all been collected. There may be some individual counts—and I note that just this week the manager of Manitoba Pork sent out a letter to all hog producers reminding them that all levies owing must indeed be paid up. My expectation is that most hog producers, who are law-abiding citizens of the province, will abide by the direction.

Dwayne Archie Johnston Parole Hearing

Mr. Eric Robinson (Rupertsland): Madam Speaker, my questions are for the Minister of Justice.

I wonder if the minister could table any correspondence that she has received from the National Parole Board concerning the upcoming April hearing of Dwayne Archie Johnston.

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): Madam Speaker, I will look and see what, if any, correspondence has arrived regarding any decision or information sought by the National Parole Board.

Mr. Robinson: Madam Speaker, I will combine two questions in one. I would like to also ask the minister if she will table the written presentation by this government concerning the audit done by the National Parole Board on Mr. Johnston. Also, I would like to ask the minister whether she will have a representative, or not, from her department at the day parole hearing or risk assessment hearing of Mr. Johnston tomorrow.

Mrs. Vodrey: Madam Speaker, again, I will take as notice any documents received from the National Parole Board and get back to the member, as well as any information about representation on the hearing tomorrow.

* (1410)

Treaty Land Entitlements Resolution

Mr. Oscar Lathlin (The Pas): Madam Speaker, my questions are for the First Minister (Mr. Filmon).

Over a month ago, on March 1, Ron Staple, the vice-president and general manager of Repap Manitoba, wrote to him requesting him to finally get serious in resolving the outstanding treaty land entitlement issues.

I would like to ask the Premier whether he agrees with Repap, and others, that the treaty land entitlement issue is an extremely important issue and that to leave it unresolved any longer would be a serious mistake and that it is in everyone's interest that it be finally resolved.

Hon. Darren Praznik (Minister responsible for Native Affairs): Madam Speaker, I must indicate to the member for The Pas that I agree wholeheartedly, as does this government, that this is a very important issue. We certainly want to see it resolved as quickly as possible in a fair manner.

As the member well knows, and he has been involved in over the years in his involvement in local government in his own community, there are a number of responsibilities between various parties. There is some dispute between us and the federal government, but the Province of Manitoba is certainly willing to get on with the issue of dealing with our obligation with land. I am pleased to tell him that we are working towards that end very diligently.

Mr. Lathlin: Madam Speaker, does the Premier (Mr. Filmon) agree with the mayor and council of the Town of The Pas, who also wrote to him recently, that the dispute involving the Mathias Colomb Cree Nation's efforts to protect its traditional territory has at its root the issue of treaty land entitlement? If he does, when is the Premier going to finally put something into action and quit sloughing off his responsibilities to others?

Mr. Praznik: Madam Speaker, with all due respect to the member for The Pas, we as a government are very much trying to settle so many of these outstanding aboriginal issues.

I would point out to him that just a few weeks ago, joined with his colleague the member for Thompson (Mr. Ashton) and the member for Rupertsland (Mr. Robinson), we attended at Nelson House to sign the

third Northern Flood Agreement. We have signed agreements within the last number of months with York Landing. We are involved in, I think, the beginning of a very crucial process to resolve the remaining Northern Flood Agreement. We have been working very diligently to resolve Treaty Land Entitlement, and we have achieved in our tenure of office far more than governments before us. So I think this is not a time to get into the partisan battles, quite frankly; it is time to look at the issues and move the parties towards resolution.

I can tell him with respect to his question that we are very serious, that I have regular discussions with the Treaty Land Entitlement chiefs. We are exploring ways in which to resolve at least the issues between the province and the Treaty Land Entitlement communities. If the federal government is not prepared to do their part, so be it, but we are willing to do ours, and we are trying to find ways and mechanisms to achieve that.

Mr. Lathlin: Madam Speaker, could I ask the First Minister one more question? That is, since most Manitobans, including Repap, Town of The Pas, and not to mention the authors of the AJI report, support the resolution of Treaty Land Entitlement, why is this Premier continuing to stand in isolation of others in opposing the final resolution of Treaty Land Entitlement? What is motivating him to do nothing?

Mr. Praznik: Madam Speaker, we have sat in this Chamber since the beginning of Question Period, and we have heard members of the member for The Pas' party continually ask my colleagues here about money for health care, money for other things, and yet the member for The Pas gets up and wants us to make a payment of some \$20 million for which we have no responsibility. I ask him, which hospital should we take it out of? Which services?

Madam Speaker, this government is firmly committed to meeting our obligation, which is to provide unoccupied Crown land. This Premier, who has kept very close to these discussions with this minister, is firmly committed to meeting our land obligations, and we are exploring with the Treaty Land chiefs the means to do that. I am sure he would agree that the obligations here with the federal government

are not being met, and we should have a united stand as a province to ensure that Ottawa lives up to its responsibility to all Manitobans and aboriginal Manitobans, and his seeking a divided position simply means we would have to pay money that is not our responsibility.

Grow Bonds Program Woodstone Technologies

Mr. Tim Sale (Crescentwood): Madam Speaker, my question is for the Minister of Rural Development.

In the summer and fall of 1993, the Grow Bond office negotiated with and approved issuance of a Grow Bond to Woodstone Technology. It was then called Woodstone Foods.

Did the minister approve the planned issuance of the Grow Bond at the end of 1993? Did he give his approval to that process?

Hon. Leonard Derkach (Minister of Rural Development): Madam Speaker, there is a process by which all Grow Bonds are approved, and first of all, it is the community that is involved in any Grow Bond initiative through a Grow Bond corporation; secondly, we have a review committee which does recommend to government with respect to all Grow Bonds that are entered into. So there is a process that is negotiated or is proceeded with in all Grow Bond projects. To date, we have some 20 Grow Bonds in this province that have been entered into by Manitobans throughout this province. Indeed, significant dollars have been invested in these projects and have indeed provided a good amount of capital investment into our province on various projects.

With regard to Woodstone, Madam Speaker, there was a process that was entered into, and that process was followed.

Mr. Sale: Madam Speaker, I think that was a yes.

Madam Speaker, did the minister then approve the expenditures of Woodstone, submitted in writing by the company in December of 1993, as quite

appropriate under the terms and intentions of the Grow Bond, which his government had approved?

Mr. Derkach: Madam Speaker, a Grow Bond is entered into when a company wishes to either set up in this province, and it has to be a Manitoba company, or if a company that is already operating in this province as a Manitoba company wishes to expand its operations. In the case of Woodstone, the intent of the Grow Bond was to provide for the expansion of Woodstone products, which would allow for greater employment in the community of Portage la Prairie and also increase the production of Woodstone, and it was with that intention that the money was invested in by many of the people within the Portage area and in Manitoba.

Mr. Sale: Madam Speaker, why then did the minister not act to protect investors by requiring Woodstone to change its offering memorandum to reflect the fact that the monies that were spent and accounted for to your office in December of 1993 were not spent for the purposes in the offering memorandum which was issued some three months later? Why did he not act to cause the memorandum to reflect reality and to protect the investors whose money is now very much at risk?

Mr. Derkach: Well, Madam Speaker, our information comes from the company through an audited statement that comes to us on an annual basis. The information that comes to us also comes from our Grow Bond officers who are working in the field with the company. It is in that way that we get the information as to whether or not the intentions of the company are realized and proceeded with. The information that I received was that indeed the expansions of the company were proceeded with to ensure that the production of the company was in fact doubled, or its capacity to produce products was doubled, and it was the people in my department and the Grow Bond corporation who monitor and work with the company to ensure that indeed those funds are invested in an appropriate fashion.

Madam Speaker: Time for Oral Questions has expired.

* (1420)

**MATTER OF URGENT PUBLIC
IMPORTANCE****Health Care System**

Mr. Kevin Lamoureux (Inkster): Madam Speaker, I would move, seconded by the member for The Maples (Mr. Kowalski), that under Rule 27 the ordinary business of the House be set aside to discuss the matter of urgent public importance, namely the threat to the health care system posed by this government.

Madam Speaker: It has been moved by the honourable member for The Maples that under Rule 27 the ordinary business of the House be set aside to discuss a matter of urgent public importance, namely the threat to the health care system posed by this government.

Under subrule 31(2), I would remind all members that the mover of a motion on a matter of urgent public importance and one member from the other party in the House is allowed not more than five minutes to explain the urgency of debating the matter immediately.

Also, as stated in Beuchesne Citation 390, "urgency" in this context means the urgency of immediate debate, not of the subject matter of their motion, and I would request that members focus their comments exclusively on whether or not there is urgency of debate and whether or not the ordinary opportunities for debate will enable the House to consider the matter early enough to ensure that the public interest will not suffer.

Mr. Lamoureux: Madam Speaker, I would like to demonstrate to this Chamber that the urgency is, in fact, there and warranted.

Given that today, in itself, is the budget, we have to recognize the impact that this government has had on the lives of all Manitobans and the anxiety that it has created through individuals who receive home care services, through consumers of our other forms of health care delivery modes.

Madam Speaker, we have health care professionals who do not know where this government is taking us. There is a tremendous amount of stress that is being put on health care workers today because of the indecision of this government. We have a lot of uncertainty that is out there.

We passed a resolution, Madam Speaker, about two years ago inside this Chamber which had all-party support which in essence said that we believe, as elected officials, in the five fundamental principles of health care. Well, what is causing that anxiety is that the government's actions, the policy of this government is threatening those principles. You can look at it in terms of accessibility, for example, and talk about the community hospitals and what this government is doing with the Seven Oaks and Misericordia hospitals.

You can talk in terms of universality and talk about the home care services and the impact that this government is going to have on that aspect as a direct result of this government's policy decision.

You can talk about the whole idea of affordability when we start looking at the Pharmacare program, Madam Speaker. We ultimately believe that this government does not have the vision that is necessary, and it would be well worth the time of this Chamber to spend the day talking about health care and what is happening today in the province of Manitoba regarding health care.

The Budget Debate, Madam Speaker, is a wide spectrum of debate, and we have a limitation in terms of time, and there are many different issues that this government is addressing through the Budget Debate.

What we are saying is that health care is going to be in all likelihood the issue that is going to be predominant and coming in virtually on a daily basis. We believe that this government has got to be held accountable for the actions that it is taking regarding health care because it is threatening a resolution that passed inside this Chamber which had all-party support.

For that reason, we believe that we should be debating this very important, critical issue today.

If the Minister of Health (Mr. McCrae) is sincere when he says he wants to put the patients first, Madam Speaker, I concur. The Liberal Party agrees. Let us put the patients first. Let us have this debate and then go on.

Thank you, Madam Speaker, for allowing me to make presentation.

Hon. Jim Ernst (Government House Leader): Madam Speaker, the member for Inkster, despite your advice that he should confine his remarks to the matter of urgency of debate, I think may have touched on it once during his discourse, but the fact of the matter is that there is no urgency for debate.

Despite the concerns or seriousness of the issue, the fact remains that for the next eight days, we will debate ad nauseam, no doubt, Madam Speaker, every issue that every member of the House wants to bring up, and if the member for Inkster and his colleagues and anybody else in the House wishes to bring up an issue related to health care or any portion thereof, they are more than willing to do so for a period of, depending upon what happens later today, either 30 or 40 minutes.

But the fact of the matter is, Madam Speaker, there is no urgency for debate. The member has not made a case for that urgency of debate, and there is ample opportunity in the next eight days.

Mr. Dave Chomiak (Kildonan): Madam Speaker, I am rising on behalf of the New Democratic Party, and I would like to indicate that we will be supporting the Liberals in this particular resolution.

Madam Speaker, in his comments, the member for Inkster (Mr. Lamoureux) indicated that we should be all adhering to the five fundamental principles of medicare, and I agree with him. In fact, I remind him that it was his federal government that brought out proposals last year saying that they were committed to the five fundamental principles of medicare, and yet that did not prevent the federal government, his

party, from slashing and cutting health care unprecedented in this country. So it is one thing to say you are supporting the five principles; it is another thing to put your money where your mouth is. That has not been done.

This, Madam Speaker, is from a party that sat in this Chamber with me when we asked it to support the fight, the changes of this government in health care for the past two years. It supported the government over and over again and voted in favour of Connie Curran in this Chamber.

Having said that, I agree with the principle as enunciated by the member for Inkster. This government has done more to damage the medicare health care system in this province than any other government since the founding of medicare.

The changes to Pharmacare, which virtually destroy the program, are deplorable and are attacks on the sick and a tax on Manitobans, and the changes to home care that they tried to be sneaked through and the effect it will have on patients in the change of personnel and in the kind of care delivered are deplorable. This government does not deserve the support of members in this House for the changes that it has announced in health care because of that.

Further, Madam Speaker, the lack of consultation by this government is paramount to running it like—the Minister of Health (Mr. McCrae) runs Health like he is the CEO of a corporation, similar to some of his friends in the private sector. They do not consult with caregivers; they do not consult with patients. They simply—

Madam Speaker: Order, please. I have been very patient, and I have listened very attentively. I would remind the honourable member for Kildonan that I explicitly gave directions to all members in speaking during their five minutes that it should be explicitly to the urgency of debate and the immediacy of same.

Mr. Chomiak: Madam Speaker, as I was indicating, we cannot debate this too soon because the changes that are being put in place by this government will turn around the health care system in Manitoba and will

turn it back into the kind of health care system that was here prior to medicare and that ought not to be allowed.

Madam Speaker, the people of Manitoba want a health care system that is public, that is accessible, that is universal. This government and the policies of this Premier are doing more to change that and make it more of an American-style, two-tier system than any other system in history.

We cannot debate that too soon because they tried to sneak through the home care changes and they botched the Pharmacare changes, and they are intending to make major changes in our system that will make it very difficult to have the universal, public, accessible system that all Manitobans have wanted and that all Manitobans have hoped for when they voted in the last provincial election. Thank you, Madam Speaker.

Madam Speaker: Order, please. The motion proposed today by the honourable member for Inkster reads:

THAT the ordinary business of the House be set aside in order to discuss a matter of urgent public importance, namely, the threat to the health care system posed by this government.

* (1430)

I am advising the House that the required notice was given. Rule 27 and Beauchesne's Citations 389 and 390 set out the other conditions that are necessary for a matter of urgent public importance to proceed.

Is the subject matter so pressing that the ordinary opportunities for debate will not allow the matter to be brought on early enough and will the public interest suffer if the matter is not given immediate attention?

There are numerous precedents of Manitoba Speakers who ruled that when the business before the House is the debate of the budget motion that debate is broad enough to allow for most issues to be addressed. I am therefore ruling that the motion of the honourable member for Inkster (Mr. Lamoureux)

does not meet the criteria required by our rules and practices because the matter contained in the motion can be addressed by members of this House in the debate of the budget.

Mr. Lamoureux: Madam Speaker, with respect, I will have to challenge the ruling of the Chair.

Madam Speaker: The ruling of the Chair has been challenged. Is it the will of the House to sustain the ruling of the Chair? All those in favour, please say yea.

Some Honourable Members: Yea.

Madam Speaker: All those opposed, please say nay.

Some Honourable Members: Nay.

Madam Speaker: In my opinion, the Yeas have it.

Mr. Lamoureux: Yes, Madam Speaker, if you would canvass the House I do believe there would be support to have a recorded vote.

Madam Speaker: Does the honourable member for Inkster have support to request a recorded vote?

Mr. Steve Ashton (Opposition House Leader): Madam Speaker, I just want to indicate that we do not support a recorded vote. We supported the challenge to your ruling, but we feel it would be important not to inconvenience the many members of the public here today for the budget. So we would ask that this matter not be put to recorded vote and proceed with the budget.

Madam Speaker: The honourable member for Inkster does not have support for a recorded vote.

Mr. Ernst: Madam Speaker, in the interest of time, I will be seeking leave of the House to introduce a couple of housekeeping motions related to rule changes and so on. One of them is rather lengthy, so I will defer that until after the speech of the Minister of Finance (Mr. Stefanson) with respect to the budget in the interest of those gathered in the gallery to hear his address.

Hon. Eric Stefanson (Minister of Finance): Madam Speaker, I move, seconded by the Minister of Industry, Trade and Tourism (Mr. Downey),

THAT this House approve in general the budgetary policy of the government.

Motion presented.

BUDGET ADDRESS

Hon. Eric Stefanson (Minister of Finance): Madam Speaker, today I stand before the members of the Legislative Assembly and the people of Manitoba to proudly unveil our government's ninth budget. I do this with confidence, knowing that the path we have chosen for Manitoba is the right one. It reflects the priorities that Manitobans have told us are important to them.

A year ago, the people of Manitoba reaffirmed their confidence in our stewardship of our province's affairs and the principles which have been the centrepiece of our first eight budgets.

They reaffirmed their confidence in us to create jobs, protect vital programs, keep our streets and neighbourhoods safe and create new opportunities for Manitobans.

Manitobans across our province reaffirmed these priorities once again during our budget consultations in Flin Flon, Neepawa, Morden, Gimli, Steinbach and Winnipeg. I want to thank all the people who gave their time to participate in these consultations, as well as those who wrote to me, and those who passed on their advice through my colleagues in government.

Madam Speaker, Manitobans made it crystal clear what their objectives are. They want our government to keep taxes down.

They want us to maintain an economic environment that generates investment and jobs.

They want our government to protect priority social services such as health, education and support for families.

They want us to live within our means, consistently balance our books year in and year out, and start paying down the debt.

Madam Speaker, these objectives can be summed up in one short phrase: building confidence!

Both local and out-of-province businesses have expressed their confidence in Manitoba by investing almost \$10 billion here over the past four years, and by creating lasting jobs in the process. Each of these investment dollars is an indication of confidence in our province.

It is the drive and enterprise of many individual Manitobans which has made Manitoba strong. In 1995, Manitoba recorded the greatest improvement in the unemployment rate in a generation. Manitobans must have confidence that the finances and operations of their government are under control. This confidence enables local businesses and investors from all over the world to keep making the investments that will generate lasting jobs, incomes, and security. This confidence is not an overnight success; it is the result of eight years of foundation-laying and hard work by all Manitobans.

As a result of those efforts, Madam Speaker, Manitoba is a wonderful place to live, to work, to invest, to raise a family, and to pursue our dreams.

Madam Speaker, over these past eight years, working with Manitobans, our government has created a path to prosperity that is serving as a model for the rest of Canada. In March, the McGill Graduate Business Conference chose Manitoba as the best example in North America of a government "Doing the Right Thing, Right . . . Consistently." Manitoba is of one of the real success stories in Canada today, and we should all take pride because everyone is responsible.

* (1440)

Madam Speaker, this budget pays tribute to the contributions Manitobans have made to achieve these advances. It addresses the challenges forced upon us by the federal transfer cuts announced last year and confirmed in the federal budget last month. It keeps

faith with the commitments we made to Manitobans last year. This budget delivers on our promises.

Continuing the Freeze on Major Taxes

Madam Speaker, I am pleased to announce that this budget:

- contains no personal income tax increases; and
- it contains no sales tax increases.

In fact, Madam Speaker this budget contains no tax increases of any kind.

Instead, this budget extends the longest-running tax freeze in Canada to a ninth consecutive year. Balanced budgets and stable taxes are the cornerstone of our government's economic policies. Our commitment to these principles was put into law last year with The Balanced Budget, Debt Repayment and Taxpayer Protection Act.

Today, we are continuing to build on that foundation.

Madam Speaker:

- This budget delivers the first back-to-back surpluses since 1971.
- This budget promotes investment and jobs in manufacturing, mining and housing through targeted incentives.
- This budget protects priority social programs and confirms that our commitment to health care is second to none.
- This budget introduces a \$12 million Manitoba Learning Tax Credit for students.
- This budget maintains our commitment to capital investment.
- This budget reaffirms Manitoba's status as the most efficient government in Canada with the lowest overall cost of government in Canada.

- And this budget does not add to public debt.

In short, Madam Speaker, this budget continues our commitment to protect priority social programs while living within our means, and promotes confidence for continued investment and job creation.

Federal Funding Reductions

Madam Speaker, in last year's budget, we alerted Manitobans to the prospect of sharply dropping federal support for health, post-secondary education and social services in 1996-97 and 1997-98. However, we hoped, along with other provincial governments and individual Canadians, that the federal government would reconsider its priorities and not proceed with massive funding reductions for vital social programs. Unfortunately, Ottawa has reconfirmed that it is proceeding with, and extending, those cuts.

This year federal cash transfers for social programs are cut \$116 million. A further reduction of \$104 million in 1997-98 brings the annual decline to \$220 million. Madam Speaker, that is more than the operating budgets of all five community hospitals in Winnipeg. Reductions will continue for at least two more years. Over the next five years, Manitoba will have received in total about \$1.1 billion less in federal cash support for health, higher education and social services.

The federal reductions are too large to be accommodated without affecting our budgets for health, education and social services. Manitobans have already seen the inevitable result of the \$116 million federal social transfer cut in some of the program announcements made earlier this year:

- changes to the Pharmacare program;
- rate reductions to social assistance recipients;
- reductions in education funding; and
- the moratorium on the health capital program.

Madam Speaker, we do not question the need for the federal government to address its spending and deficit problems. However, we do take issue with the

priorities they have set—their plan is to reduce spending by cutting disproportionately the very programs which set Canada apart as one of the best countries in the world.

I ask Manitobans to consider the matter of accountability. Budgets are about setting priorities. Federal transfer payments for social programs will be cut by fully 32 percent over a two-year period. All other federal program expenditures will be cut by only 2 percent. The federal government has chosen to attack its deficit problem by slashing support to health, higher education and social assistance programs. The federal social transfer reductions represent 77 percent of all federal cuts over the next two years. Madam Speaker, the federal government's priorities are wrong. They must be held accountable for reductions made to our programs this year.

Manitoba's Strong Economy

Madam Speaker, when our government first came to office in 1988, we recognized that the perilous state of government finances and continual tax increases were threatening the province's economic vitality. Taking a planned and steady approach, we worked hard to restore stability to public finances and keep major tax rates frozen—not just because these are important objectives in their own right—but also because they are keys to building confidence in the economy and creating more permanent jobs.

In 1993, our Framework for Economic Growth laid out a 10-point economic strategy built on a long-term commitment to fiscal management as the foundation of sustainable economic growth. As Premier Filmon wrote in the foreword, "Economic growth is not the sole objective, but rather the means to several more important goals. Manitoba's ability to provide jobs, vital social services and a high quality of life can only be sustained through the creation of new wealth and industry."

Madam Speaker, this budget continues to make jobs for all Manitobans a key priority.

The economic benefits of our strategy are evident. Our economy is strong, and it is getting stronger. Indeed, the latest provincial outlook from the

Conference Board of Canada states Manitoba's economy is "streamrolling ahead."

I would like to highlight some of the impressive accomplishments of the past year. We have:

- 10,000 new jobs;
- the largest drop in the unemployment rate in a generation;
- the lowest youth unemployment rate in Canada;
- population growth at a nine-year high;
- retail sales growth at double the national rate;
- another strong increase in foreign exports, with exports to the United States doubling in the last four years;
- the largest percentage increase in total investment in Canada;
- a 58 percent surge in manufacturing investment to an all-time high;
- the largest increase in manufacturing shipments in over 20 years;
- a third consecutive double-digit increase in cash receipts from farm crops; and
- a 15-year low in business bankruptcies.

Overall construction activity increased 5 percent. The First-Time New Homebuyer Program has helped nearly 600 Manitoba families buy their first home and create over 1,000 construction jobs. There are signs that the housing sector will improve in 1996, thanks to lower interest rates, rising employment and pent-up demand. Accordingly, as a measure of further assistance, Madam Speaker, I am pleased to announce that the First-Time New Homebuyer Program will be extended to March 31, 1997.

Madam Speaker, private sector jobs in Manitoba rose by a strong 2.7 percent last year. For jobs and

incomes to continue growing, a high level of investment by the private sector is crucial. Manitoba was the only province in Canada to record consecutive increases in private investment in each of the past four years. The rate of increase was almost seven times greater than Canada's, and reflects the high level of confidence in Manitoba.

Recent announcements of \$1 billion in investment underscore the confidence that the private sector has in Manitoba's future. I would like to highlight some of these important projects:

- Repap will invest over \$250 million in the next five years to build a new pulp mill and upgrade existing operations at The Pas. This will create 75 to 100 direct jobs in the mill and 175 to 200 jobs in logging operations.
- Canadian Agra announced a \$55 million canola crushing plant in Ste. Agathe which will employ approximately 45 people. The plant is part of a planned food processing complex which could involve some \$200 million in investment over five to seven years.
- J.R. Simplot is undertaking a \$200 million expansion of its fertilizer plant in Brandon, and has just announced an agreement with Continental Nitrogen and Resources of Minnesota to build another \$33 million plant in Brandon.
- Schneider intends to construct a \$40 million hog processing plant in Manitoba. At full capacity it will employ about 500 people. And,
- Standard Knitting and its subsidiary, Tundra Manitoba, is creating 121 jobs as a result of a \$2.3 million expansion of their Winnipeg garment manufacturing capacity.

Our favourable taxation climate has been identified as a major factor in building confidence in our province and our economy.

Madam Speaker, as an added boost to jobs and investment, I am pleased to announce that the Temporary Manitoba Manufacturing Investment Tax

Credit will be extended for another full year—to June 30, 1997.

The Canadian Federation of Independent Business recently observed that "Manitoba has become one of the most small-business friendly governments in Canada. With an eight-year tax freeze, stable workers' compensation premiums, and some strategic reductions in key taxes, Manitoba has set a standard that many other provinces should follow."

* (1450)

Madam Speaker, Manitoba will continue to set the standard.

Investing in People

Madam Speaker, it is because Manitoba's economy is performing so well that we are able to sustain our government's record of investing in Manitobans, despite federal cuts. We recognized that sound fiscal management is the foundation of economic growth, and that economic growth in turn is essential to create the wealth necessary to maintain our vital social services and quality of life.

Fully 90 percent of the increase in spending since we first assumed office is allocated to health, education and family services programs. In this year's budget, we have earmarked nearly \$1 billion more for these services than the 1987 level.

This budget dedicates almost \$3.5 billion to health, education and priority social services. We are confident that with the continued commitment of all stakeholders, this will maintain quality services for Manitobans when they need them.

Protecting Health Care Now and in the Future

Despite the federal cuts in social transfers, our government's commitment to health care is second to none. Madam Speaker, 34 cents of every dollar we spend is devoted to health care.

We are working in consultation and partnership with all stakeholders, including medical practitioners, nurses, administrators and the consumers of health care

to find new ways of delivering quality care to Manitobans. The traditional ways of delivering services have not kept pace with rapid advances in technology. We must work together as a community to develop innovative alternatives which will result in high-quality care and give us value for each taxpayer dollar.

The Urban Hospital Partnership is finalizing plans to integrate Winnipeg hospital clinical and administrative functions. Madam Speaker, \$38 million has been allocated to support this initiative. The overall budget for hospitals, including this Hospitals Transition Support, is down slightly, but more support is targeted to personal care homes and home care.

This budget increases support for the Personal Care Home Program by \$2.5 million, for total support of \$267.5 million. Residential rates for personal care homes will be adjusted effective August 1, 1996. While there will be an increase in rates at the upper end, this change will benefit the majority of personal care home residents who currently pay the lower rates.

Madam Speaker, Home Care is the underpinning of a community-based health care system. To deal with increasing demand, the Home Care budget is increased by almost \$8 million, to \$91 million. Manitoba Health has also begun to expand the number of contracts for nursing and home support services in an effort to promote greater flexibility. We estimate, over the medium term, this measure will reduce home care cost escalation by some \$10 million, and allow these dollars to be used to sustain this valuable service. There will be no change in the services provided to Manitobans, and these services will continue to be provided at no cost.

Since taking office in 1988, the Home Care budget has more than doubled, while funding for personal care homes increased by close to \$100 million.

In light of the federal transfer reductions, the anticipated restructuring of urban hospitals, and the introduction of Regional Health Authorities in rural and northern Manitoba, my colleague the Minister of Health has announced a pause in the Health Capital

Program. We are taking steps to ensure that future hospital and personal care home development plans will meet community needs within the available resources.

Madam Speaker, the Pharmacare program is being reformed. We have been careful to ensure Manitobans with the most need will receive the most coverage. Pharmacare coverage above the deductible will increase to 100 percent—up from the current 60 percent to 70 percent levels. We believe tying the deductible to income, as Saskatchewan has done since 1993, introduces an important element of ability to pay. I am proud to say our Pharmacare program remains among the most comprehensive and generous in the country.

Effective April 2, 1996, routine eye examinations for people aged 19 to 64 will no longer be covered as an insured service. This brings Manitoba's coverage in line with other provinces.

Madam Speaker, across North America and in all advanced nations, practices and procedures are now being subjected to rigorous scrutiny to promote a healthier population. Manitoba must be a leader in these developments and put them to use in delivering the best and most effective health care to all Manitobans.

Protecting Those in Need

Madam Speaker, this budget allocates \$655 million to support families in need while encouraging their independence. We continue to believe that providing people with a hand up when they need it, and not just a handout, is the best approach to securing the future of Manitoba's families.

Last year, Manitoba's economy produced 10,000 new jobs. Our unemployment rate was second-lowest in the country. We firmly believe there is no better time than now to provide the incentives and supports needed to encourage people to enter the workforce.

Madam Speaker, we believe that all Manitobans want to work. They want the dignity, experience, and skills that go with work and independence. The best form of social security is a job. We are helping people become more independent through employment. We

are investing in their future—a future which breaks the cycle of dependency and allows Manitobans to reach their full potential.

The welfare reforms announced last month by my colleagues, the Minister of Family Services and the Minister of Education and Training, emphasize this point. The reforms will secure savings for taxpayers while providing basic assistance rates in the mid- to upper-range nationally. Since taxpayers are already paying the full housing costs and sales taxes on necessary purchases for welfare recipients, they will no longer qualify for property or cost-of-living tax credits.

Madam Speaker, we have kept our commitment to protect the most vulnerable in our society, single parents with children under six, the elderly, the disabled and women in crisis shelters.

Other recipients are being encouraged to seek jobs and contribute to their communities. In the first year, the number of people receiving assistance is expected to decline by up to 700. If someone receiving social assistance turns down a reasonable job offer, benefits will be reduced or eliminated.

Our government is continuing with its plans to merge the provincial and municipal welfare systems in Winnipeg. The new system will streamline administration, reduce welfare abuse and emphasize employment.

Madam Speaker, our government knows the community wants to be involved in helping people gain independence. We will continue to strengthen community involvement through partnerships with groups such as the Mennonite Central Committee, and with local governments, including the City of Winnipeg. We are convinced these sorts of partnerships are the best way to work with the community to develop opportunities so all Manitobans can achieve their full potential.

Madam Speaker, daycare is extremely important to parents who need to be assured of a safe and nurturing environment for their children. Since 1987-88, our government has added over 3,000 subsidized spaces in Manitoba. In 1996-97, we will continue to

ensure child care will be available to the same number of children who received subsidized care last year, including support for single parents on social assistance who are going to work. The daycare budget is lower this year reflecting the actual usage of this program in the last two years. However, our commitment to the daycare program remains firm.

This budget provides additional funding to support those Manitobans most in need, including nearly \$2 million more for adults with disabilities, and a further \$4 million for children in care.

Madam Speaker, family services and protection of the most vulnerable in our society remain top priorities for our government.

* (1500)

Preparing for the Future

Madam Speaker, \$1 billion has been allocated for education and skills development. We must ensure young people in Manitoba have the very best education and training opportunities so they are properly prepared to succeed in whatever their chosen field may be. The education system must be measured by how well it prepares our children for the challenges facing them—how well they are prepared to seek and obtain meaningful employment. It must also be able to adapt to the job opportunities currently available to our students now and in the future.

We have already brought in many reforms:

- to provide more meaningful parental involvement;
- to ensure students can read, write, compute and problem-solve at a high level;
- to require standards and testing; and
- to provide a safe, secure learning environment.

However, there is still more work to be done.

I am pleased that an additional \$1.7 million has been allocated for education renewal in 1996-97, bringing the total to \$5.4 million.

Madam Speaker, we believe the quality of education is best measured by how much our children learn, not by how much we spend. Public school operating funding will be reduced by an average of 2 percent this year, with a more flexible funding formula. Our government is confident that the quality of education can be maintained with this level of support. Manitoba public schools have the third-lowest pupil-educator ratio in Canada, and the second-highest operating costs per pupil. Provincial funding in support of capital expenditures for public schools totals \$27.6 million, an increase of \$2.1 million from last year.

Madam Speaker, federal grants in support of official languages training have been reduced. As a direct result of these federal cuts, supplemental grants to Français and French Immersion programs have been reduced from \$250 per student last year to \$205 in 1996-97. In addition, support to St. Boniface College for community college programming has been drastically reduced. We have asked the federal government to reconsider these reductions.

Over the next two years, we will honour our agreement with independent schools. We will provide support equal to 50 percent of the average actual per pupil operating costs in public schools. For 1996-97, the support level is 46 percent. The independent schools remain responsible for their own capital expenditures and do not share in local property taxes.

Madam Speaker, in sharp contrast to the massive cut in federal support for health, higher education and social services, operating grants to universities are being reduced by only 2 percent this year, while capital support is maintained at last year's level. Provincial support to community colleges, both operating and capital, is also maintained at last year's level.

We are not imposing a cap on post-secondary tuition fees this year. We do not believe fee restructuring, as outlined in the University Education Review Commission report, should be ruled out. However, our clear preference is for universities and colleges to reform their operations to deliver top-quality education on a more cost-effective basis.

Madam Speaker, to encourage students to invest in their own education and training, it gives me great pleasure to announce that a new \$12 million Manitoba Learning Tax Credit will be implemented for the 1996 taxation year. Manitoba will become the first province in Canada to provide a refundable learning tax credit.

The Post-Secondary Strategic Initiatives Fund will be enriched by \$2.5 million for a total of \$3.5 million, to further encourage all advanced education institutions to focus more on marketable skills and innovation. Madam Speaker, \$2.5 million is targeted to community colleges, and \$1 million is dedicated to universities through this fund.

Madam Speaker, 160,000 people received training and skills upgrading through Workforce 2000, which helped Manitobans weather the second-worst recession in our history. The value of continuous employee upgrading is recognized by virtually all Manitoba businesses.

As the next phase, Workforce 2000 will be refocused. The Apprenticeship Program is being restructured and consolidated with Workforce 2000 to bring together these two workplace-based training initiatives. The Workforce 2000 element of the program will provide support, on a sectoral basis, for strategic industry-wide training partnerships. The training subsidies provided by Workforce 2000 and the related payroll tax credit for larger businesses have been eliminated effective April 2, 1996.

Over 100 training partnerships with local sectoral associations have already levered a \$20 million investment from industry and other levels of government. The aim is to identify and address training priorities in key sectors: aerospace, health care products, fashion, tourism, agri-foods and transportation.

Madam Speaker, the federal government has announced its intention to withdraw from the direct purchase of training. Manitoba has called on the federal government to provide transition funding for current apprentices who would be affected by federal reductions in training commitments.

Madam Speaker, our government recognizes the desire of young Manitobans to work and contribute to Manitoba's growing economy. Accordingly, we have increased youth employment initiatives to \$8.4 million, up 9 percent over 1995-96 budgeted levels. These programs provide training and employment services for students and unemployed youth in our province. In 1995, Manitoba had the lowest youth unemployment rate in Canada.

Making Our Streets and Communities Safe

Madam Speaker, all Manitobans want to be safe and secure in their communities. Ensuring that our streets and neighbourhoods are protected is key to achieving this goal. That is why our government continues to support initiatives that promote and maintain public safety. Provincial support to Winnipeg's Downtown Watch civilian safety teams will help deter crime and create a more secure environment in the city's downtown. This budget maintains our election commitment to provide the City of Winnipeg with \$2 million in added funding to put more police officers on the street.

The Minister of Justice is taking steps to protect victims of stalkers. Last year, legislation was passed to permit victims' names to be removed from voting lists to ensure their privacy. We are currently reviewing other lists and will take steps wherever possible to guard against stalkers who seek personal information about their victims. Most recently, the Land Titles system has been modified to do just that.

However, these measures alone are not enough. We must also address the human costs of criminal activity. Our government will be undertaking a Victims Assistance Study to determine how we can best meet the needs and uphold the rights of crime victims. Preventive measures must also be encouraged so that all of our youth have an opportunity to become productive members of society. For example, Manitoba Justice will be implementing the Urban Sports Camp Program, which will provide a positive alternative to crime and violence for high-risk youth.

Members will recall the Premier and the Mayor of Brandon recently announced a partnership

arrangement for the phase-in of the new 911 emergency response communications services to most communities south of the 53rd parallel. This initiative will provide comparable access for communities to emergency response dispatch services as are presently available in Brandon and Winnipeg.

Our government has also assured the RCMP that provincial funding will be available for an improved \$3.6 million telecommunications system to further deter crime in rural Manitoba.

Grants to Agencies

Madam Speaker, many organizations and agencies receive part of their funding from the Manitoba government. In 1996-97 many of these grants will be reduced between 1 percent and 2 percent from last year's level.

Jobs and Economic Development

Madam Speaker, I have discussed Manitoba's impressive economic performance, and I am confident that we have established a firm foundation for continuing improvements. But our government is not about to become complacent. We do not believe that this province has achieved all that it can be.

In particular, we must do better for our young people. We are pleased with the very large improvement in the youth unemployment rate last year. It is encouraging to see an increasing proportion of young people able to find work here at home. However, the youth unemployment rate is still too high. Accordingly, our government will continue to work with Manitobans to develop the maximum potential of our economy so that more young Manitobans can pursue their careers right here at home.

Sustaining Growth in the Rural Economy

Madam Speaker, we are proud of the way Manitoba's farmers and the agri-food industry are meeting the challenge of reduced subsidies. They recognize that vast new opportunities exist.

* (1510)

They recognize that vast new opportunities exist. They are diversifying production and adding value to quality Manitoba agricultural products for export to world markets. The large investments in new and expanded processing facilities for meat, oilseeds and vegetables reflect the newfound confidence throughout our province. More exports mean more jobs for Manitobans. We will continue to work in partnership with our farm community to reap the full benefits of new products and marketing opportunities.

To support diversification, it is essential to provide farmers with easier access to capital so they can make successful transitions. The Manitoba Agricultural Credit Corporation is providing financing programs to encourage diversification into livestock and value-added products and processes.

Madam Speaker, to ensure an adequate water supply for expanded agricultural development, we are pleased to announce the establishment of an Irrigation Initiative. My colleague the Minister of Agriculture will provide further details shortly.

I am especially pleased that a new Enhanced Crop Insurance Program has been developed with the federal government to allow producers access to affordable, quality crop insurance coverage. The enhanced Program is the first in Canada and will operate for a three-year trial period.

Madam Speaker, rural communities are a vibrant and growing element of our society. Despite the major pressures on provincial finances, Manitoba continues to provide significant financial support for rural development to ensure that growth continues. This year, we are increasing our funding for rural economic development programs to over \$19 million, up 10 percent from 1995-96.

The Department of Rural Development has successfully launched the \$12.5 million Community Works Loan Program. Communities will now be able to take a direct role in sustaining their economic future and creating jobs by providing capital to small business ventures.

Rural Development's Grow Bond Program now totals 19 projects. Over \$7 million in investment has

been raised, leveraging additional investment of more than \$21 million. The Program has created an estimated 450 jobs.

The Rural Economic Development Initiative (REDI) has helped to create over 1,300 jobs in rural Manitoba. REDI has provided over \$21 million to the rural economy, generating more than \$170 million of investment.

Rural Development's Youth Programs, the Green Team and Partners with Youth, have now created over 3,000 jobs for rural youth since their inception in 1992.

Reflecting the province's strong economic performance, rural municipalities will receive an increase of over 6 percent in provincial-municipal tax sharing payments, bringing the total to over \$23 million.

Promoting Trade and Tourism

Madam Speaker, Industry, Trade and Tourism is strengthening its efforts to promote economic development in Manitoba. Financial programs are also being restructured to reduce grants and increase third-party financing.

The Small Business Expansion Fund addresses the need of small, expanding businesses to access capital. This Fund will be administered entirely by lending institutions and is expected to assist approximately 440 small businesses.

Another program, the Manitoba Capital Fund, will access private capital pools and pension funds to address venture capital needs in the \$250,000 to \$1.5 million range. To date, \$20 million has been committed, including \$5 million from our government.

Madam Speaker, supported by Manitoba and federal tax credits, the Crocus Fund has proven a successful vehicle for raising venture capital. The Crocus Fund provides capital for dynamic smaller and medium-sized Manitoba businesses to expand, create jobs and involve Manitoba workers more directly in the success of the firms they work for. Last month, the federal budget announced changes to the tax credit rate and other rules governing the Labour Sponsored

Venture Capital Corporation Program. Our government will be introducing legislation to parallel these changes this Session.

As we promised in last year's election campaign, the province will place additional emphasis on international trade and investment promotion. Manitoba Trade, our new trading corporation, will provide a single highly visible export identity for Manitoba and will raise Manitoba's profile in the global economy. Our new trade and investment strategy will build on the strength of our successful exporters. Our reputation for quality will provide opportunities for small to medium-sized firms to access world markets.

One promising approach is to foster alliances to gain better access to export markets. For example, the "Export House" project brought government together with several Manitoba companies to showcase local and western Canadian building products.

While government has a role to play in promoting development, it is important to note that Manitoba's positive climate for investment has encouraged many companies to invest here without direct government support. Recent examples include Simplot in Brandon, Repap in The Pas, Louisiana Pacific in Swan River, and PR Response West in Winnipeg.

Madam Speaker, hosting major national and international sporting events provides Manitobans with a variety of important benefits. Visitors attending such events inject millions of dollars into the economy. New facilities are often constructed which improve our quality of life for years to come.

In recent years, through the dedicated efforts of thousands of volunteers, Manitoba has successfully hosted the Grey Cup and the men's and women's World Curling Championships. Brandon will host the Canada Games in 1997. In 1999, Winnipeg and Manitoba will host the Pan-Am Games. Our government will continue to provide financial and other support for these events. By raising Manitoba's profile, tourism, trade and investment are enhanced. In 1995, tourism alone provided more than \$1 billion to the provincial economy, driven principally by

increased travel at home and increased visits by U.S. residents.

Support for the City of Winnipeg

Madam Speaker, financial assistance to the City of Winnipeg through the Department of Urban Affairs will increase to \$51 million, 1.3 percent higher than last year's level. This increase incorporates a 2 percent reduction in the Unconditional Current Programs Grant and the Urban Transit Operating Grant offset by a \$1.4 million increase in the unconditional VLT grant. Capital grant assistance will be \$16 million, unchanged from last year. The City of Winnipeg will also receive an increase of over 6 percent in provincial-municipal tax sharing payments, bringing that total to \$32.5 million.

In addition, \$500,000 is budgeted for rehabilitation of the Red River Floodway Control structure. A further \$16 million has been provided for various economic development initiatives within the city. This represents an increase of \$3.5 million over the 1995-96 budgeted level.

In addition, \$2.2 million has been provided to fund the province's share of 1996-97 costs under the Winnipeg Development Agreement. Under the Agreement, Canada, Manitoba and Winnipeg will each contribute \$25 million toward the economic, physical and social renewal of our capital city. Under the transportation component, Manitoba will provide up to \$5 million, primarily for the development of the Winnport multimodal transportation initiative. Winnport, a private sector consortium, was established to market Winnipeg as an international cargo distribution centre. This project will help secure Manitoba's place as a transportation hub, and provide new opportunities for investment and job creation.

Developing our Resources

Madam Speaker, 1995 was a banner year for new mine openings. Snow Lake, Lynn Lake, Bissett, Flin Flon, Thompson and Lac du Bonnet all are beneficiaries of mine openings or expansions. Planned capital expenditures on these development projects of \$170 million in 1996 will bring hundreds of needed jobs to those communities.

Over the past year, 25 new companies have investigated the mineral potential of Manitoba. A new mining investment strategy has been launched aimed at increasing exploration in our province and ultimately the opening of new mines.

Madam Speaker, mining is Manitoba's second most important resource industry. We are making Manitoba the best place in Canada, if not in the world, to invest in mining.

The Manitoba Mineral Exploration Assistance Program (MEAP) builds on and replaces the Mineral Exploration Incentive Program. The new program will actively foster increased mineral exploration in our province. Funding for MEAP in 1996-97 has been increased to \$3 million. A new \$1-million Petroleum Exploration Assistance Program (PEAP) has been created to encourage higher-risk exploration for oil and natural gas in Manitoba.

This budget also removes a number of irritants that have proven to be obstacles to further exploration in Manitoba.

* (1520)

Capital Spending

Madam Speaker, during the election last year, we promised to spend at least \$1.5 billion on capital over the next five years. The \$313-million commitment included in this budget reflects our determination to keep that promise.

We recognize how important it is to keep investing in Manitoba's infrastructure for jobs, for economic development, and for our quality of life.

Madam Speaker, our government is fully maintaining our commitment to the transportation network in Manitoba, as it provides more opportunities for investment, exports and job creation. A total of \$100 million is allocated for highway construction this year.

Madam Speaker, provincial allocations under the Canada-Manitoba Infrastructure Works Program are almost completely committed after three years, even

though the program was extended to five years. We were disappointed this program has not been renewed by the federal government. We have called for a renewal of this successful approach to partnership and co-operation between the federal government, provinces, municipalities and other organizations.

Spending Smarter

Madam Speaker, Manitobans have emphasized the importance to economic development of lean and efficient operations in government. We started almost a decade ago to eliminate duplication, to spend smarter and to increase efficiencies. We now have the lowest-cost government in Canada. Our government will continue to offer the most innovative and the best possible service at the lowest possible cost.

Over the past four years, we have reported on the impressive results being achieved by special operating agencies. Special operating agencies are helping the government continuously improve the quality of public services and test and implement innovative management practices. The Fleet Vehicles Agency alone is meeting government transportation needs with 25 percent fewer vehicles than in 1987, at an estimated annual saving of \$3 million.

Building on this success, seven new agencies are established in this budget. The new agencies are:

- The Companies Office
- The Manitoba Textbook Bureau
- The Mail Management Agency
- The Industrial Technology Centre
- The Public Trustee
- The Office of the Fire Commissioner and
- The National Agri-Food Technology Centre

The fifteen Special Operating Agencies in place represent 3 percent of the civil service and \$65 million in business for government. Increasingly, other governments view our initiative as a model for their

operations. The Institute of Public Administration of Canada recently acknowledged the important role played by Manitoba in pioneering special operating agencies as an innovative way to deliver and finance programs.

As well, our Service First and Better Methods initiatives are seeking ways in which government can work better, cost less and become even more user-friendly. Drawing on the considerable talent and dedication of our public service, these initiatives seek ways to reduce internal administrative costs, to create a sense of entrepreneurship within the public service, and to promote innovation in the way we interact with people and businesses.

Reducing overlap and duplication as well as increasing the efficiency and effectiveness of programs are also key objectives. In 1996-97, we have continued these efforts with reorganizations and management layering in several departments. We will continue to examine opportunities to provide lower-cost government for Manitobans. These include partnership arrangements with the private sector such as the recent announcement concerning the Environmental Sciences Centre.

Collective Bargaining

Madam Speaker, 1996-97 will be a significant year for public sector negotiations, with a variety of major agreements expiring during the year. Annual salary expenditures for the broad public sector in Manitoba are \$3.7 billion, not including the cost of benefits. Managing wage costs is an essential element of our efforts to protect important public services and jobs, to balance the budget, and to keep the lid on taxes. We are committed to dealing with these matters in a fair, reasonable and consistent manner. We are determined to find the appropriate balance between the legitimate interests of public sector employees, and the fiscal capacity of our province and taxpayers.

We have already indicated that agreements based on a status quo framework would be acceptable with respect to negotiations with the Manitoba Government Employees' Union and other public sector groups. In the civil service, this would include

continuation of current wage rates and the Reduced Work-Week Program. This budget is based on this framework. However, we are prepared to consider other alternatives within the same overall cost parameters.

In January, we released a discussion document on public school teacher collective bargaining. The level of teachers' salaries relative to those in other provinces and salary settlements for teachers, compared to those for most other public servants in Manitoba, suggest that some modification of the current method of determining teachers' salaries may be warranted. While the collective bargaining system must be able to address legitimate teacher concerns, it must also allow school divisions to control, and be accountable for, the costs of their operations. Teachers' salaries represent the majority of those costs.

Manitobans, public employees included, recognize we must live within our means. We have reduced the size of government today to pre-1980 levels. In doing so we have endeavoured to minimize the impact on our employees. The Reduced Work-Week Program has allowed us to maintain 500 jobs which would otherwise have had to be deleted. In addition the workforce adjustment process has allowed us to limit permanent layoffs to fewer than 200 employees since 1991.

We anticipate that we will have similar success this year. So far, fewer than 75 employees are likely to be impacted by the 350 positions that are being eliminated. In the coming months, we would expect many of the remaining affected employees to be offered alternative employment opportunities. We value the support we have received from our employees, and we are committed to continuing our efforts to minimize the impact on them of the necessary restructuring of government.

Madam Speaker, it has been a long-standing practice of the Manitoba government to disclose salaries of civil servants and payments made directly by government to corporations, firms and individuals. In keeping with our desire to strengthen accountability, legislation will be introduced to require public disclosure of compensation for individuals whose compensation is paid either directly by the provincial

government or by other public sector bodies or organizations that receive significant support from Manitoba taxpayers. In this way, the taxpayer will have the full benefit of knowing how their tax dollars are being spent.

1995-96 Surplus

Madam Speaker, our government was elected on a mandate to live within our means. Every single person in this province must do that, and so should government. We take that commitment seriously and our policies reflect that mandate.

I am proud to say that historic legislation, The Balanced Budget, Debt Repayment and Taxpayer Protection Act, was passed by the Legislature and received Royal Assent last November. Manitobans are now assured that their government will balance its budget each and every year. They are assured that the debt will be paid down in 30 years or less. Manitobans are assured that major tax rates will not be increased unless they have given their prior approval in a referendum.

This legislation has been widely praised. The Canada West Foundation and the International Centre for the Study of Public Debt both rated it as the "best balanced budget law" in all of Canada. The Canadian Taxpayers Federation and the Canadian Federation of Independent Business both described it as "model" legislation for other jurisdictions. Indeed, the CFIB described it as "a historic balanced budget law that will change the face of the province permanently, and for the better."

The financial results for the year just concluded, and the fiscal projections for 1996-97 and future years, reflect the hard work and sustained commitment to the principles enacted in the balanced budget legislation.

On the advice of Manitobans, our practice of accounting for lotteries revenue was changed in 1995-96. Net lotteries revenue is now drawn into general revenue in the year it is earned. Own-source revenue in 1996-97 includes a full years net income from the Manitoba Lotteries Corporation.

Madam Speaker, as outlined in the Third Quarter Financial Report, a surplus of \$120 million is projected for 1995-96. This exceeds the \$48 million projected in our 1995 budget, primarily due to stronger own-source revenue. In accordance with the provisions of the balanced budget legislation, this surplus will be deposited in the Fiscal Stabilization Fund. It would have been irresponsible to spend this surplus on programs that could not be sustained over the long term. Depositing the surplus to the fiscal stabilization fund means the resources remain available in the provincial savings account, to be used to protect public services in our province when unforeseen events put pressure on the province's treasury.

1996-97 Budgetary Plan

Madam Speaker, for the first time in over a quarter century, Manitoba has back-to-back surpluses. The 1996-97 budgeted surplus is \$22 million.

In 1996-97, we will continue to provide what the Investment Dealers' Association described as "consistent and responsible fiscal management." We will continue to live within our means. We will not draw on the Fiscal Stabilization Fund for base-budgeting purposes.

Prior to federal transfers, revenue is down \$76 million. That revenue reduction could have been accommodated without further spending actions due to the \$73 million reduction in public debt costs.

However, despite our cushioning efforts, the massive withdrawal of federal funding support for provincial health, higher education and social assistance programs of \$116 million in 1996-97 necessitated significant spending reductions.

Current program expenditure is down \$54 million or 1.2 percent from 1995-96 budgeted levels. Capital program expenditure is down \$30 million, largely reflecting the expected lower expenditure under the Canada-Manitoba Infrastructure Agreement.

Madam Speaker, last April we were re-elected on a record which included the longest-running freeze on major tax rates in Canada. High taxes kill confidence.

Consequently, competitive tax rates are a necessary foundation for sustained economic growth. The foundation of competitive taxation has been laid over the past eight years in Manitoba. As CIBC/Wood Gundy stated: "The Province's relative competitiveness has improved significantly since 1987, when Manitobans paid the highest personal taxes." The results of this improvement are evident in Manitoba's strong economic performance.

* (1530)

Medium-Term Fiscal Plan

Madam Speaker, our 1996 Manitoba budget provides fiscal planning projections through the fiscal year 1999-2000. The projections are based on cautious economic assumptions and prudent fiscal forecasts.

For 1997-98, the fiscal plan includes the further cuts to federal transfers for health, education and social programs. As well, the first deposit to the Debt Retirement Fund is due in 1997-98. The \$75-million deposit is the first instalment on our debt reduction program.

Further program spending reductions of 2.2 percent will be required to accommodate the \$104 million reduction in federal social transfers in 1997-98.

Economic growth will generate moderate own-source revenue increases. As a result, Madam Speaker, we are projecting surpluses in 1997-98, 1998-99 and 1999-2000. These surpluses will provide us with a number of options including:

- reducing taxes;
- enhancing programs;
- increasing capital investment; or
- reducing the provincial debt.

In our extensive and ongoing consultations with public sector stakeholders, we have been asked to consider providing publicly funded bodies with

longer-term funding targets. In particular, a two-year funding target would provide greater certainty for their planning purposes. As a result, during 1996, we are prepared to undertake discussions with those groups to review options for two-year funding targets for possible future implementation.

Madam Speaker, the medium-term fiscal plan, together with The Balanced Budget, Debt Repayment and Taxpayer Protection Act, will ensure that debt levels decline and borrowing requirements are reduced.

Results are already evident. Debt is down from 1994-95 levels. Our plan for debt retirement provides for the full elimination of general purpose debt within 30 years.

Conclusion

Madam Speaker, Manitoba is truly a province of great people, people dedicated to the task of ensuring a bright and successful future for this place we all call home.

One year ago, Manitobans expressed their confidence in our government and the leadership of Premier Filmon and in our plans to make Manitoba strong together. These plans were built on the foundation of balanced budgets.

Manitobans recognized then, as they still do now, the benefits of a plan aimed at paying down debt. The benefits to be derived are not just for this generation but, more importantly, for the generations that are to come.

Let there be no mistake. Balanced budgets are not about statistics and debt forecasts. Balanced budgets are about people, about Manitobans, about ensuring government is able to continue providing the services our citizens have come to expect and trust.

That is the greatest legacy our balanced budgets will leave, the legacy of health and education programs that comfort us in times of need; nurture us as we strive to learn more.

Madam Speaker, we live in a changing Canada, a Canada that will not allow our province to stand still.

Let there be no doubt. We will not stand still. Manitoba will continue to lead the way.

We will act with confidence and determination:

- to create jobs and economic prosperity;
- to ensure quality health care is there for all Manitobans;
- to ensure our young people have the knowledge and skills they need to succeed;
- to lead the fight against those who threaten our safety and security;
- to give Manitobans a hand up when they need it and not just a handout;
- to provide the lowest-cost government possible;
- to keep taxes down;
- to balance budgets; and
- to pay down the provincial debt.

Madam Speaker, in Manitoba, we have a quality of life that is virtually unsurpassed in the world today. I want to pass that on to my children and their children. I know Manitobans share that vision.

Madam Speaker, the foundations have been laid for this generation and for generations to come. This is truly a great province with a great future.

In closing, Madam Speaker, I would like to acknowledge and thank Manitobans for their support and understanding. It is their hard work, dedication and commitment that makes Manitoba the best place in the world to live, to work, to invest, to raise a family, and to pursue our dreams.

Thank you, Madam Speaker.

Mr. Gary Doer (Leader of the Opposition): I move, seconded by the member for Wolseley (Ms. Friesen), that debate on the budget be adjourned.

Motion agreed to.

Mr. Stefanson: Madam Speaker, I move, seconded by the Minister of Environment (Mr. Cummings), that this House at its next sitting will resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

Motion agreed to.

Mr. Stefanson: Madam Speaker, I move, seconded by the Minister of Justice (Mrs. Vodrey), that this House at its next sitting will resolve itself into a committee to consider of Ways and Means for raising of the Supply to be granted to Her Majesty.

Motion agreed to.

Mr. Stefanson: Madam Speaker, I have two messages from His Honour the Lieutenant Governor.

Messages

Madam Speaker: The Lieutenant Governor transmits to the Legislative Assembly of Manitoba Estimates of sums required for the services of the province for the fiscal year ending the 31st day of March 1997 and recommends these Estimates to the Legislative Assembly.

The Lieutenant Governor transmits to the Legislative Assembly of Manitoba Estimates of sums required for the services of the province for capital expenditures and recommends these Estimates to the Legislative Assembly.

Mr. Stefanson: Madam Speaker, I move, seconded by the Minister of Health (Mr. McCrae), that the messages together with the Estimates accompanying the same be referred to the Committee of Supply.

Motion agreed to.

Hon. Jim Ernst (Government House Leader): Madam Speaker, I wonder if I might have leave to introduce a motion, that motion being concurring in the Report of the Standing Committee on Rules.

Madam Speaker: Does the honourable government House leader have leave? [agreed]

* (1540)

**PRESENTING REPORTS BY
STANDING AND SPECIAL COMMITTEES**

Hon. Jim Ernst (Government House Leader): I move, seconded by the Minister of Education (Mrs. McIntosh), that the Report of the Standing Committee on Rules of the House, received on April 2, 1996, be concurred in.

Motion agreed to.

Hon. Jim Ernst (Government House Leader): Madam Speaker, I would again seek leave to introduce a further motion with respect to Private Members' Business.

Madam Speaker: Does the honourable government House leader have leave to introduce a further motion? [agreed]

Mr. Ernst: Madam Speaker, the motion that I am about to present is some page and a half long and contains a lot of technical information. I provided copies of this motion to the member for Thompson (Mr. Ashton) and the member for Inkster (Mr. Lamoureux) yesterday to try and expedite matters.

So if the House will bear will me, I move, seconded by the Minister of Education (Mrs. McIntosh),

THAT the rules of this Rules of this House be further amended as follows:

(a) in Rule 3 the word "sittings" be substituted for "sessions" in line 4;

(b) in subrule 5(1)"2" be inserted immediately before "(3) and (4)";

(c) in Rule 24 "Subject to subrules 25(2), (3), (4) and (5)" be substituted for "Subject to Rule 63.9"; and

(d) the following be inserted immediately after Rule 24;

Definition of "Resolution" 25.(1) In this rule, "resolution" means any vote, motion, resolution or address of which notice has been given or that has been introduced, but does not include any motion for first reading, second reading or third reading of a bill, or a motion to refer a bill to a committee.

Private Members' Resolutions (2) Where a resolution of a private member, other than a resolution for an Order for Return or an Address for Papers, is reached for the first time on the Order Paper during Private Members' Business, and it is not disposed of within that period, the resolution shall be placed on the Order Paper at the bottom of the list of resolutions of that type.

Request to "stand" or "adjourn" matters (3) During the Private Members' Business, no request shall be made by a member to allow a matter to "stand" and no motion to "adjourn" will be entertained, with respect to private members' resolutions.

Matters not proceeded with (4) Where the resolution of a member, other than a resolution for an Order for Return or an Address for Papers, is reached for the first time on the Order Paper during Private Members' Business, if the member is not present, or does not proceed with the resolution at that time, the resolution shall be placed on the Order Paper at the bottom of the list of resolutions of that type.

Matters not proceeded with second time (5) When a resolution of a Member, other than a resolution for an Order for Return or an Address for Papers, is reached for the second time on the Order Paper for introduction, if the Member is not present or does not proceed with the resolution at that time, the resolution shall be removed from the Order Paper.

Time Limit on debate 26.(1) The total time allowed for the consideration of any private members' resolution and any amendment thereto shall not exceed three hours.

Termination of debate (2) When the time allowed by subrule (1) has expired, the Speaker shall terminate debate on the item being considered.

Motion agreed to.

Hon. Jim Ernst (Government House Leader):
Madam Speaker, I move, seconded by the Minister of

Education (Mrs. McIntosh), that the House be now adjourned.

Madam Speaker: It has been moved by the honourable government House leader, seconded by the honourable Minister of Education, that this House be now adjourned (1:30 p.m. Wednesday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, April 2, 1996

CONTENTS

ROUTINE PROCEEDINGS			
Reading and Receiving Petitions		Seven Oaks General Hospital Mackintosh; McCrae	436
Immigration Policy		Home Care Program	
Santos	421	Chomiak; McCrae	437
		Lamoureux; McCrae	439
Emergency Health Care Services-- Community Hospitals		Community Hospitals	
Cerilli	421	Lamoureux; McCrae	438
Maloway	422		
Presenting Reports by Standing and Special Committees		Hog Industry	
First Report of the Committee on Privileges and Elections		Wowchuk; Enns	439
Penner	422		
		Dwayne Archie Johnston	
First Report of the Standing Committee on Rules of the House		Robinson; Vodrey	440
Laurendeau	422		
		Treaty Land Entitlements	
Ministerial Statements		Lathlin; Praznik	440
Ford World Curling Championship		Grow Bonds Program	
Ernst	433	Sale; Derkach	442
Doer	433		
Oral Questions		Matter of Urgent Public Importance	
Pharmacare		Health Care System	
Doer; Filmon	434	Lamoureux	443
		Ernst	444
Education System		Chomiak	444
Friesen; McIntosh	435		
		ORDERS OF THE DAY	
Minister of Education		Budget Address	
Friesen; McIntosh	436	Stefanson	446