



Second Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS
(Hansard)**

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

Members, Constituencies and Political Affiliation

<u>Name</u>	<u>Constituency</u>	<u>Party</u>
ASHTON, Steve	Thompson	N.D.P.
BARRETT, Bocky	Wellington	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave	Kildonan	N.D.P.
CUMMINGS, Glen, Hon.	Ste. Rose	P.C.
DACQUAY, Louise, Hon.	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary	Concordia	N.D.P.
DOWNEY, James, Hon.	Arthur-Virden	P.C.
DRIEDGER, Albert, Hon.	Steinbach	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry, Hon.	Lakeside	P.C.
ERNST, Jim, Hon.	Charleswood	P.C.
EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
FILMON, Gary, Hon.	Tuxedo	P.C.
FINDLAY, Glen, Hon.	Springfield	P.C.
FRIESEN, Jean	Wolseley	N.D.P.
GAUDRY, Neil	St. Boniface	Lib.
GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	N.D.P.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McALPINE, Gerry	Sturgeon Creek	P.C.
McCRAE, James, Hon.	Brandon West	P.C.
McGIFFORD, Diane	Osborne	N.D.P.
McINTOSH, Linda, Hon.	Assiniboia	P.C.
MIHYCHUK, MaryAnn	St. James	N.D.P.
MITCHELSON, Bonnie, Hon.	River East	P.C.
NEWMAN, David	Riel	P.C.
PALLISTER, Brian, Hon.	Portage la Prairie	P.C.
PENNER, Jack	Emerson	P.C.
PITURA, Frank	Morris	P.C.
PRAZNIK, Darren, Hon.	Lac du Bonnet	P.C.
RADCLIFFE, Mike	River Heights	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack, Hon.	Niakwa	P.C.
RENDER, Shirley	St. Vital	P.C.
ROBINSON, Eric	Rupert's Island	N.D.P.
ROCAN, Denis	Gladstone	P.C.
SALE, Tim	Crescentwood	N.D.P.
SANTOS, Conrad	Broadway	N.D.P.
STEFANSON, Eric, Hon.	Kirkfield Park	P.C.
STRUTHERS, Stan	Dauphin	N.D.P.
SVEINSON, Ben	La Verendrye	P.C.
TOEWS, Vic, Hon.	Rossmere	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
VODREY, Rosemary, Hon.	Fort Garry	P.C.
WOWCHUK, Rosann	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, April 4, 1996

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Licensed Practical Nurses

Mr. Kevin Lamoureux (Inkster): Madam Speaker, I beg to present the petition of Theresa Dumas, Adrienne Ballantyne, Don Preston and others praying that the Minister of Health (Mr. McCrae) recognize the value of LPNs and to consider reversing the decision to cut LPNs in Manitoba.

Retention of Hogs Single-Desk Selling

Mr. Clif Evans (Interlake): Madam Speaker, I beg to present the petition of Jeannette Giasson, Ben Barkman, Denver Plett and others requesting that the Minister of Agriculture (Mr. Enns) consider reversing his decision and retain a system for orderly marketing of hogs in Manitoba under Manitoba Pork.

Mr. Stan Struthers (Dauphin): Madam Speaker, I beg to present the petition of Edwin Sigurdson, Dorothy Minish, Joan Price and others requesting that the Minister of Agriculture consider reversing his decision to retain a system for orderly marketing of hogs in Manitoba under Manitoba Pork.

Manitoba Telephone System

Ms. Rosann Wowchuk (Swan River): Madam Speaker, I beg to present the petition of Kevin Makasoff, Stan Lychuk, Mary Lychuk and others requesting that the Premier (Mr. Filmon) not sell off Manitoba Telephone System.

READING AND RECEIVING PETITIONS

Retention of Hogs Single-Desk Selling

Madam Speaker: I have reviewed the petition of the honourable member for Swan River (Ms. Wowchuk). 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:

WHEREAS the provincial government announced its intention to move to an open marketing system for hogs in Manitoba without consulting producers as it promised during the last election; and

WHEREAS a majority of hog producers support single-desk selling under Manitoba Pork, the marketing board; and

WHEREAS the hog industry in Manitoba has doubled under an orderly marketing system; and

WHEREAS processors, who will contribute to Manitoba's value-added industry have publicly expressed their preference for orderly marketing because it is easier to deal with one agent rather than 2,300 producers.

WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba request that the Minister of Agriculture consider reversing his decision and retain a system for orderly marketing of hogs in Manitoba under Manitoba Pork.

Licensed Practical Nurses

Madam Speaker: I have reviewed the petition of the honourable member for Inkster (Mr. Lamoureux). 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 many LPNs have been eliminated from most acute care facilities in Manitoba, including St. Boniface, Seven Oaks, and most recently HSC; and,

THAT the LPNs of this province are valuable members of the health care system, providing professional, competent, skilled and cost-effective services; and

THAT staffing cuts will only result in declining quality of health care and potentially tragic outcomes; and

THAT it will not be long before the negative results of this shortcut effort are realized, including higher costs and poorer services.

WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba urge the Minister of Health to recognize the value of LPNs and to consider reversing the decision to cut LPNs in Manitoba.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

Potential Serious Flood Situation

Hon. Albert Driedger (Minister of Natural Resources): Madam Speaker, I have a statement for the House and I have copies.

Madam Speaker, I thank you for the opportunity to make a statement to all Manitobans this afternoon regarding the potentially serious flooding this spring. Recent additional heavy snow has raised the potential for serious flooding, especially south of the Trans-Canada Highway. As well, the potential for significant flooding has developed in the southern Interlake.

Earlier this afternoon, I released the updated flood outlook. As all members know, spring weather conditions hold the key to the severity of this spring's flood. Recent snowstorms have brought a total of 20 to 35 centimetres of snow to many areas of southern Manitoba and the adjacent states. The information we have received indicates that the runoff will begin somewhat later than usual which favours a rapid melt and untimely spring rainfall. This combination could result in major flooding in southern regions of the province.

Based on the long-range weather forecast, runoff is unlikely to begin before mid-April. Peak flows on the Red River are therefore unlikely to occur before mid-April or early May. There is still a chance that the melt will be gradual with below-average precipitation. If this weather scenario unfolds, flooding would not be as serious.

* (1335)

The most serious flood threat is in the Red River watershed where both snow cover and soil moisture are much above the average from Grand Forks to Selkirk. Flooding along the Red River is likely to exceed 1974 levels and could reach 1979 levels with a rapid melt and untimely spring rains. Western tributaries of the Red River from the La Salle northward to the Grassmere Drain could experience record high levels with an adverse weather scenario.

The flood potential continues to be high on the Pembina River, the Souris River and the lower Assiniboine River. However, the flood potential is only moderate on the Assiniboine River upstream of Brandon. The flood potential is low in regions of western Manitoba from Riding Mountain north to The Pas. In the Interlake, flooding is likely along the Icelandic River and the Fisher River with normal spring weather. A rapid melt and untimely spring rain of 35 millimetres or so could produce serious flooding similar to that of 1974 and 1979 on these streams, particularly if ice jams occur.

The government is taking all the necessary measures to prepare for the possibility of a major flood. As my colleague the Minister of Government Services (Mr. Pallister) has indicated, preparation is the best defence against flooding. We want to ensure that Manitobans have the information and the resources needed if serious flooding occurs. We will continue to monitor the flood potential very closely, gather all the information available and keep all Manitobans well informed. Major flood control works such as the Red River Floodway, Portage Diversion and Shellmouth Dam will be operated in such a way to prevent or reduce flooding along the Assiniboine River and in the city of Winnipeg.

The government has established three flood liaison offices in the province to handle public inquiries. The offices will provide information to local residents and municipalities and will be available to answer specific

questions from residents about flood conditions and how forecasted water levels may affect their properties. Liaison offices have been established in Melita, Niverville and Russell. They will be of great help to local municipalities and communities.

The district communication will be important in keeping everyone informed and up to date. At Melita, the phone number is 522-3256. At Niverville, the number is 388-6480 and at Russell, the phone number is 773-3830.

We have met with many municipal representatives to discuss the flood potential and ensure that emergency plans and resources will be available to assist Manitobans. I am requesting that residents continue to call their municipal offices for assistance in flood fighting such as sandbagging and diking. Natural Resources engineers will be available to advise municipalities on the flood situation as it develops. An interagency group of 30 representatives from affected agencies, as well as the deputy ministers from involved departments are continuing to meet on a regular basis to plan for any possible flooding in the province.

Manitoba Emergency Measures Organization and Natural Resources are continuing to prepare information for distribution to municipalities. Madam Speaker, I believe that by working together with all Manitobans we are prepared to meet the challenges if the flooding situation develops.

Madam Speaker, I would also like to thank you and would like to present to all members a copy of the latest Red River Floodway brochure which has detailed information regarding the floodway and its benefits of flood protection. I believe this is a very informative piece and would encourage all members to review it. Thank you.

* (1340)

Mr. Stan Struthers (Dauphin): Mr. Speaker, I would like to thank the Natural Resources minister for informing the House of the plans that his government has so far in place to deal with what could be a drastic flood situation this spring. I want to point out though that it is not all dependent on Mother Nature and that we would expect the government to be prepared for whatever Mother Nature has to throw at us, unlike last year where I believe the government was caught somewhat flat-

footed, especially in the area of the Shellmouth Dam which presented many problems that this government failed to address.

I also want to make sure that the minister is aware that there needs to be some type of liaison in the Interlake area, particularly with the Fairford Dam, which I did not see mentioned in the address that he has just given to the House. I am also concerned with the flooding situation in the north Parkland area and not much mention in the statement about that. I think we need to keep in mind as well the situation that could develop within the city of Winnipeg. I would just like to thank the minister for bringing this to our attention, and we look forward to co-operating with him in minimizing the damage of the flood. Thank you.

* * *

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): Madam Speaker, I would like to table the 1994 Annual Report of the Manitoba Human Rights Commission and the Twenty-third Annual Report of Legal Aid Manitoba, March 31, 1995. I am pleased to table pursuant to The Regulations Act, a copy of each regulation registered with the Registrar of Regulations since regulations were tabled in this House in June of 1995.

Introduction of Guests

Madam Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery, where we have with us this afternoon three schools.

There are 40 students from St. Maurice School under the direction of Mr. Shaun McCaffrey. This school is located in the constituency of the honourable Minister of Justice and Attorney-General (Mrs. Vodrey).

Also, we have twenty Grade 11 students from Churchill High School under the direction of Mr. Lenzmann. This school is located in the constituency of the honourable member for Osborne (Ms. McGifford).

We have thirty Grade 5 students from Victoria-Albert School under the direction of Ms. Karen Boyd. This school is located in the constituency of the honourable member for Point Douglas (Mr. Hickey).

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

ORAL QUESTION PERIOD

Pharmacare Deductibles

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

Yesterday when we tabled the letter from the Manitoba seniors organization and quoted the fact that many seniors felt betrayed, we asked the Premier questions about his own election promises. Since those questions, it has been drawn to our attention by other seniors and other people affected by the drastic cuts in Pharmacare that during the last election campaign the Conservative Party handed out orange brochures wherein they stated that there is a better way, a Gary Filmon way to deal with Pharmacare, and Pharmacare deductibles were promised at \$230 per family.

Many people feel that this was a promise made to them during the election campaign, and they want to know directly from the Premier, why has he broken his word to them during that campaign?

* (1345)

Hon. Gary Filmon (Premier): Madam Speaker, as I have indicated publicly and as has certainly been commented on, this province has experienced a reduction in transfers of \$116 million from Ottawa this fiscal year. That is a very significant reduction in transfer payments from Ottawa, a reduction that obviously has to be dealt with by our government.

In making changes such as we have, we have taken great care so that seniors, for instance, are not impacted by the changes in the regular check-ups for seniors to do with their eye care. We have ensured that those over 64 are protected by those changes.

With respect to the changes in Pharmacare, they are done on an ability-to-pay basis, an ability-to-pay basis that I might indicate still treats them better than they would be treated in NDP Saskatchewan. That is the way in which we have tried to choose priorities and, in doing so, we have done so with obvious regard to the fact that

those who have the ability to pay will be asked to pay because that is the fairest system that we could bring in.

New Democrats opposite have often argued that things should be done on the basis of income, that those with higher incomes should pay more to the tax system, more to the support of our programs. Well, that is the basis on which we have evaluated the changes that we have made, and that I think is a fair system.

Mr. Doer: The promises made to Manitobans last year were well after the federal budget. The Premier knows that, Manitobans know that, we know that.

The question I ask the Premier is, why is he not keeping his word? Why does he have organizations like the Manitoba Seniors Society saying that they feel betrayed by the Premier?

I would like to ask the Premier a further question. He makes a statement about \$230 per family. He did not say it would be income tested after the election and that there would be some kind of \$25-million cut. The Premier also paid tribute to the sacrifices seniors made to build our province strong and that he will maintain spending for health now and in the future along with his election promise on the deductible for \$230. What does he tell the Manitoba seniors about his promise of a deductible of \$230?

Mr. Filmon: Madam Speaker, I point out that low-income families will be paying even less than \$230 deductible for their Pharmacare. The fact of the matter is that this administration, this government spends a greater portion of its budget on health care than any other province in Canada. We are spending virtually 34 percent of all the dollars we spend. That is a greater commitment than any other province in Canada makes to health care. It is certainly much greater than it was when the New Democrats were in office here, and it is certainly much greater than that which is being spent by other New Democratic administrations such as our neighbours next door.

Mr. Doer: Madam Speaker, the Premier will know that there is \$69 million in the budget in Saskatchewan, compared to somewhat—I think it is \$38 million in the budget here in Manitoba. But that is not the question. The question is, why did the Premier promise to

maintain spending in Manitoba after he knew about the federal cuts during the election campaign?

He reiterated that in his platform. He reiterated that all the way through the campaign, including the last press release he released in the campaign, and he made a specific promise: The Gary Filmon way is to have a family have a deductible of \$230 for Pharmacare.

Will we now see the so-called Gary Filmon way, and will he overrule his Minister of Health (Mr. McCrae) and keep his word to Manitobans that was released right across this province in pamphlets that were placed in individual mailboxes during the election campaign?

It is his word; let us see him keep it.

Mr. Filmon: Madam Speaker, we are maintaining the greatest commitment to health care of any province in Canada. We spend 34 percent of our budget on health care, higher than any other province. The member opposite knows full well that there are impacts from reductions of transfers from Ottawa. He knows that when you have a reduction of over \$116 million from one year to the next you have to deal with it as part of living within your means—[interjection]

The member for Crescentwood (Mr. Sale) is chirping from his seat. He is one of the best examples, of course, of people with selective memory, Madam Speaker. He is the one who was set up by the former Pawley government with a budget of \$300,000 of taxpayers' money to do one thing and one thing only, and that was to complain to Ottawa about their transfer payment cuts. That is what he spent his entire time at. In fact, the joke that went around in those days was: How do you know that an airplane has landed in Ottawa with Howard Pawley or Tim Sale aboard, of course, and the answer was that the whining does not end when the engines are turned off.

* (1350)

Mr. Tim Sale (Crescentwood): I have never travelled to Ottawa with the former Premier of this province and the minister has no right to put that information—

Madam Speaker: Order, please. I would remind the honourable member for Crescentwood that if indeed you

are standing other than being directly responsible for asking a question, would you please indicate it is on a point of order?

Independent Schools Funding Formula

Ms. Jean Friesen (Wolseley): Madam Speaker, my question is to the Minister of Education, and I want to quote briefly from the government's press release of two days ago.

"Over the next two years," it says, "the province will honor its commitment to bring independent schools per pupil grant support equal to 50 per cent of the average actual public school per pupil operating expenditures, with a 46 per cent level of support in 1996-97."

I wonder if the minister could tell the House when this new commitment was made, and will she table a copy of the new agreement she has made on behalf of the people of Manitoba?

Hon. Linda McIntosh (Minister of Education and Training): The member should be aware that some many years ago an agreement was struck with the independent schools in an out-of-court settlement to avoid litigation based upon the remedial order that came out of the Manitoba Schools Question of 1870. There is a long history there. I think she knows it, but that agreement to eventually raise independent schools to 50 percent of the funding of private schools has been in place for some years. That is not a new thing.

Ms. Friesen: I would like table a document indicating there is a new agreement and that there are dramatically higher levels of funding for private schools.

I want to ask the minister again in a responsible and accountable manner to tell the House what the financial implications of this are for Manitoba.

Mrs. McIntosh: I have been on the radio, I have been on television, I have been in groups with people in the last few weeks recounting this very question. Perhaps the member has not heard the radio or television or news broadcasts or all of those things, but I would be glad to repeat it for her, as I have for all Manitobans.

The government of Manitoba, as a result of the out-of-court settlement to honour the legal obligations that came from Manitoba's entrance into Confederation, will over time raise the amount of money given to independent schools to 50 percent of the cost for private schools, not including capital, of course, because we do not fund buildings, and then once it reaches the 50 percent level, it will remain there. This is not anything new. This has been known for some time.

I have been telling people that if the students currently registered in independent schools came into the public system tomorrow and became fully funded instead of only partly funded students, we would have to raise \$8 million overnight, or roughly the equivalent of about four days of interest on the debt that we pay every day, because of the debt they left us, to accommodate them in the public system.

* (1355)

Ms. Friesen: Madam Speaker, I am interested to hear the minister deny that there is a new agreement.

I want to ask the minister to confirm that what she has done this year in school funding is to take away \$75 from every child in the public school system—that is what the minus-two amounts to—and under her new agreement with private schools she will be adding this year alone \$260 for every child in the private school system.

Mrs. McIntosh: Madam Speaker, I appreciate that the member philosophically feels that government should only support public schools and that she is willing to have the costs for all of Manitoba rise exorbitantly in our tax bill to accommodate those parents who now pay user fees for the privilege of religious-based schooling.

Madam Speaker, 83 or 85 percent of our independent schools are religious-based. Our Jewish schools, for example, which are in the constituencies of the members opposite, for example, have the right because they are independent to observe, to change the school calendar to observe their own holy days, those kinds of things. Eighty-five percent of our schools that are independent are like that. Those people pay full taxes, and on top of that, they pay a user fee.

Madam Speaker, our indication that we would accommodate this out-of-court settlement in this way is

not new. This is known. I do not know why she is implying this is something that is new. It saves the system great monies ultimately.

Independent Schools Funding Formula

Ms. MaryAnn Mihychuk (St. James): My question is for the Minister of Education.

This government claimed to be open and honest in their throne speech. Tuesday's budget shows that they are exactly the opposite. By obscure references and deliberate manipulation, this government has tried to hide from the people of Manitoba the fact that they have made a new sweeter-than-ever deal with private schools.

My question to the Minister of Education. Will this Minister of Education immediately release the actual grants provided to private schools, either on a per-pupil basis or actual dollars?

Hon. Linda McIntosh (Minister of Education and Training): Madam Speaker, we will be going into Estimates very soon, I would imagine. If we want to go through line by line, I do not have everything here with me—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. Are the honourable members ready to assume Question Period?

Ms. Mihychuk: My second question to the Minister of Education: Can the minister confirm that the actual increase to private schools is at least 15 percent this year, with another huge increase next year?

Mrs. McIntosh: Madam Speaker, just in response to the first question which I did not get an opportunity to answer, I will be pleased to go through line-by-line detailed questions such as she wants in Estimates.

In regard to the question she has just asked now—

An Honourable Member: They want a list of every school.

Mrs. McIntosh: Well, they want a list of every school, every student, and he thinks I can do that off the top of

my head. I can tell you that in your constituency you have the Laureate Academy, which is an alternate learning model. I am sorry you do not support them, but I am telling you that if you want a detailed breakdown student by student, we have some 12,000 students in privately funded schools in Manitoba. I do not have those exact figures here.

* (1400)

Ms. Mihychuk: My final question to the Minister of Education: Why has this Minister of Education not told Manitobans about the new deal, while the government briefed private schools in February on their new plans?

Mrs. McIntosh: Madam Speaker, I was on the radio two weeks ago, I was on the radio three weeks ago, I was talking to the public many days ago and each time I told them exactly what the member has just told me. She is telling me as if it were some secret. I have been on the radio broadcasting to anybody in Manitoba who would listen, so I do not know what she is referring to or why she is trying to imply there is something sinister here. This has been something that has been clearly expressed to the people of Manitoba publicly via the media.

Madam Speaker, I do not know what she is implying, and I have given the answer.

Home Care Program Privatization

Mr. Dave Chomiak (Kildonan): Madam Speaker, the government has never been able to explain the rationale and policy reasons behind why they are privatizing home care except to have companies like We Care go out and defend this policy. Now we know why.

Can the Premier (Mr. Filmon) explain why the 1993 proposal from We Care incorporated to privatize home care is exactly the proposal that has been adopted by this government?

Hon. James McCrae (Minister of Health): Madam Speaker, I know the honourable member showed up at the Seven Oaks Hospital to help discuss the experiment that was conducted there with respect to early discharge for patients and to get patients comfortably in their

homes. The evaluation of that particular contract was an extremely positive one from the point of view of the patients as well as the medical profession.

I remember the honourable member that day and how he moved back from his initial position that he was just dead against it but, because he happened to be there in the Seven Oaks Hospital that day, he could not sound quite so negative about it, so he measured his words quite carefully.

Now he is back on his old track, because I think his union boss friends must have got to him in the meantime.

Mr. Chomiak: Madam Speaker, now that the home care workers have voted over 80 percent to strike, when is the government going to realize the idiocy of its position, its home care, We Care position? Will they do the right thing for the patients, the right thing for the workers and the right thing for the public of Manitoba and stop this privatization plan that has been foisted upon them by their friends at We Care?

Mr. McCrae: I think the more prudent course for anyone who says that they are here to represent the interests of the clients of our home care system would be to be asking one's union boss friends why it is they are conducting votes like that in the first place and asking them what they hope to achieve for vulnerable people in our society by turning their backs on them and withdrawing services.

Mr. Chomiak: Madam Speaker, if the minister will not listen to the public or the workers or the patients, I would like to table two letters for the minister from patients of home care who have asked the minister not to have—

Madam Speaker: Order, please.

Hon. Gary Filmon (Premier): Second follow-up.

Mr. Gary Doer (Leader of the Opposition): Are you the new Speaker?

Mr. Chomiak: Maybe the Premier will answer the question, then, if he is talking from his seat.

My question to the Premier or the Minister of Health (Mr. McCrae): Will they listen to the patients whose two letters I have tabled who have had bad experiences with

private care, do not want private care and say, keep government home care in the public hands? Will he at least listen to the patients of Manitoba if he will not listen to anyone else but his friends at We Care?

Mr. McCrae: I think the honourable member should be reminded about whom it is that he claims to be speaking for when he and his colleagues come into this House. He wants to table in the House letters today from people who have concerns about the private sector. Does he not recall all the letters he and his colleagues brought forward back in 1992, 1993, 1994 from people complaining about the home care system under the public system that we have here in the province of Manitoba?

An Honourable Member: The cuts.

Mr. McCrae: The honourable member is talking about cuts. We are serving today, in 1995-96, 26,000 clients as opposed to 23,000 in '88-89, and instead of almost four million units of service in 1988-89, today we are delivering 5.5 million units of service. This program is growing very, very rapidly and so are the costs associated with it. The budgets of each and every year demonstrate that.

The honourable member cannot have it both ways, as he so often does. He cannot be critical of the fact that spending has not been going in when it has and say that nothing is being achieved with all that spending and then try to criticize the government for trying to get something for the dollars we are spending. You cannot have it all those ways.

Seven Oaks General Hospital Public Consultations

Mr. Kevin Lamoureux (Inkster): My question is for the Minister of Health.

The Urban Health management committee came up with the recommendation that if it in turn becomes reality, we are going to see the Seven Oaks Hospital converted into a geriatric centre.

There has been a public uproar not only in the north end of Winnipeg but across the province of Manitoba in terms of the benefits of keeping the Seven Oaks Hospital

open as an acute care facility. In fact, I would ask maybe the Pages to deliver thousands of cards that were sent to us to deliver to the Premier (Mr. Filmon) and ask the Premier to receive these thousands of cards and put a specific question to the Minister responsible for Health.

In a letter that I received yesterday he indicated that before the government makes any decisions regarding these recommendations I believe further dialogue with health care providers and the public is necessary.

My question to the Minister of Health is, what form of public consultations is he talking about and when can we anticipate these public consultations to take place?

Hon. James McCrae (Minister of Health): Madam Speaker, that dialogue is very much underway right now as the design teams have been doing their work. There has been all kinds of consultation with medical professionals. The members of the public have been meeting with me. I have been meeting with organizations which are trying to put forward one position or another, and that process is underway now, as the cost-benefit analysis for the various recommendations is also underway.

The honourable member, I understand, may or may not have aspirations for permanent leadership of the Liberal Party, Madam Speaker, and if he ever achieves that, he is going to have to look at the whole health care system, which is what honourable members on this side of the House have to do, with due recognition for the concerns in each and every region, constituency and neighbourhood in our province.

I ask the honourable member and those who are making their positions known, which is quite a reasonable thing to do, by the way, but I ask them to remember that we have \$1.8 billion to spend on health care in our province. It is the highest level as a percentage of spending anywhere in the country. The commitment is clear. We are trying to make sure that the health care services that people need are there when they need them, no matter where you happen to live.

Mr. Lamoureux: Madam Speaker, the Minister of Health should—

Madam Speaker: Order, please. Would the honourable member please pose his question now?

Mr. Lamoureux: Madam Speaker, can the Minister of Health indicate to Manitobans when he is going to be holding this so-called dialogue with the public members, given that he has recognized that there is a fundamental flaw to this whole process in which we will see the Seven Oaks Hospital and Misericordia Hospital closed down, that is, that there has never been a cost-analysis study done?

Mr. McCrae: As I told the honourable member, Madam Speaker, that analysis is underway right now. We are not wanting to make decisions that are not based on the kind of analysis that is required to make important decisions. That is what we have been trying to do with health care since 1992 and the plan being put forward, and we are trying to be consistent with that plan.

We hear people's observations about the proper use of the tertiary health centres and the proper use of our community hospitals. We hear those things. We understand them; we agree with those things. We want to make sure that we design an integrated health system in the city of Winnipeg that makes sense. It makes sense to the honourable member and the people he is representing; it makes sense to all of them.

But the bottom line is, again, Madam Speaker, every patient who requires services has to be taken into account and their needs have to be taken into account as we go forward.

Pharmacare Deductibles

Mr. Kevin Lamoureux (Inkster): Madam Speaker, my final supplementary goes to the Minister of Finance (Mr. Stefanson).

According to a report by the National Council of Welfare, Manitoba has the third-highest poverty rate in Canada—18.4 percent or 198,000 Manitobans. Yet, the minister maintains his budget is not an attack on the poor.

My question for the Minister of Finance is, if this is so, why did the minister choose to make \$15,000 the magic number for deciding Manitobans pay 3 percent or 2 percent of their income on the Pharmacare deductible, and why not the \$15,479?

Hon. James McCrae (Minister of Health): Madam Speaker, in our deliberations as we designed the changed Pharmacare program, it was felt that people whose family income is under \$15,000 should be entitled to a little more protection under the new plan. Is the honourable member disagreeing with that?

* (1410)

Brandon General Hospital Funding Reductions

Mr. Leonard Evans (Brandon East): Madam Speaker, I too have a question for the Minister of Health.

During the past provincial election, both the Premier (Mr. Filmon) and the minister assured Manitobans that our health care system would be maintained. Yet, we constantly learn of serious cuts, Madam Speaker.

Can the Minister of Health confirm that as a result of the \$2.4-million cut to the 1996-1997 Brandon General Hospital budget that the hospital is now cutting 10 senior nursing staff positions and that in addition there will be another 40 full-time nursing positions terminated by October 1 of this year?

Hon. James McCrae (Minister of Health): I think the honourable member for Brandon East should attend more meetings that have to do with health, because he should know if he does not know by now—I used to hear him when he was in opposition defending bed cuts at Brandon General Hospital and he talked about more day surgery going on. I have a distinct recollection of the honourable member for Brandon East talking about that, after he could be found, after a significant period of time after the cuts—[interjection] He did, it is true. He was unavailable for some period of time, but he talked about the changes in our hospitals.

Brandon General Hospital is unique in many ways, but there is an important way that Brandon General Hospital is the same as some of the other larger hospitals in Manitoba and that is that outpatient and not-for-admission surgery is on the rise very, very significantly and patient days are on the decline. Yet, overall, over the last number of years there has been an overall very significant increase in the spending going on at Brandon General Hospital.

Now, it is true that in the last year or two that things have levelled off or reduced slightly, but the point is, things are changing in our hospitals. The honourable member ought to make himself aware of that or should reacquaint himself with that, because I know he knew about it at one time when he was defending cuts at Brandon General Hospital.

Mr. Leonard Evans: Regrettably, we cannot debate misinformation that comes out of the mouth of the Minister of Health, but I will get on with my question, because he knows the hospital has just about been decimated. It has been cut in half since this government has been in office.

Can the minister confirm that as a result of his 6 percent cut to the Brandon General Hospital for 1996-97, 20 medical beds plus another 30 beds for patients awaiting placement, for a total of 50 beds, are to be eliminated? Of course, this is on top of a couple of hundred bed closures that occurred.

How does this improve the health care in Brandon and Westman?

Mr. McCrae: Madam Speaker, I think we have been attempting to address the overall issue of beds in the province of Manitoba, in the city, in the country and everywhere. It is generally agreed amongst all health experts that Manitoba has a relatively high ratio of acute care hospital beds per thousand population. There is no disagreement about that that I know of unless it is now a new point of view being assumed by honourable members opposite.

So if some of the bigger hospitals are looking at making a more efficient use of the services that they can provide to the population that results in reductions in the number of beds—the honourable members opposite did not mind cutting beds at one time. I do not understand why all of a sudden it has become a different story because, actually, if you want to look in the first reference to the words “health care reform,” I recall the honourable member for Thompson back in 1987 making reference to health care reform when we were talking about massive bed cuts in places like Brandon, Manitoba.

Madam Speaker: Order, please.

Point of Order

Mr. Steve Ashton (Opposition House Leader): On a point of order, Madam Speaker, Beauchesne Citation 417 is very clear. It states that “Answers to questions should be as brief as possible, deal with the matter raised and should not provoke debate.” I realize that the minister constantly, day in, day out, violates all three of those, and it is tempting to get up virtually every time he answers a question to raise this matter in Beauchesne, but after now hearing about 10 answers which all violate Beauchesne very clearly, I would ask you to bring the minister to order and ask him to answer for once some of the very serious questions that are being asked on health care.

Madam Speaker: On the point of order by the honourable member for Thompson, indeed, the honourable member for Thompson does have a point of order. I would caution that the honourable Minister of Health make his comments relevant to the question being asked.

* * *

Madam Speaker: The honourable member for Brandon East, to pose a final supplementary question.

Mr. Leonard Evans: Will the Minister of Health advise this House and the people that use the Brandon General Hospital that there will be 70 fewer beds at that hospital because of the cuts made by his government?

Mr. McCrae: I cannot at this moment confirm or deny, as the honourable member would like on that point, but I know that with respect to the nursing management at Brandon General Hospital some changes are happening, and those changes are decisions made by the Brandon General Hospital and approved by the Manitoba Health.

Home Care Program Privatization

Ms. Diane McGifford (Osborne): Ninety-eight percent of the approximately 1,500 home care workers who will be laid off in July are women. Furthermore, privatization means that women hired in the private sector will suffer wage reductions ranging from 40 percent to 60 percent of their incomes, making many of them paupers. Clearly, government policy to privatize home care targets a

vulnerable and recognizable group and violates the principles of women's full and equal participation.

I would like to ask the Minister of Health a no-frills question, and we ask in return the courtesy of a no-frills answer. How can he explain his blatant disregard for the lives, livelihood and rights of these Manitoba women?

Hon. James McCrae (Minister of Health): I have no disregard for contributions made by my fellow citizens to their fellow citizens in the Home Care program or any other program. I do have clients that have to be looked after today, and there will be many more in the future as we address the appropriate use of the acute care system and as we address the projections that have our population aging over the next number of years.

Those are real problems, Madam Speaker, those are real issues that have to be addressed. I am not a New Democrat. I cannot just pretend they do not exist.

Ms. McGifford: Madam Speaker, I would like to ask the Minister for the Status of Women (Mrs. Vodrey), whose sworn duty of course is to promote the full and equal participation of women, if she could tell this House what advice either she or the Women's Directorate gave the Minister of Health regarding the implicitly sexist decision to privatize home care.

Mr. McCrae: If I was like the member for Thompson (Mr. Ashton), I would raise a point of order about that particular kind of comment. That is uncalled for, Madam Speaker. Many, many of our clients are women, elderly women who require care, require treatment. I do not want to say to them five, six, three, four years from now, sorry, no more home care because we mismanaged things back in the earlier days. I do not want to be able to do that or have to do that.

Does the honourable member not remember that the clients of the home care, many, many of them, perhaps a majority of them, probably a majority of them are women and require services and are very vulnerable too? Does the honourable member not realize that?

* (1420)

Northern Patient Transportation Program User Fee

Mr. Steve Ashton (Thompson): Madam Speaker, my question is to the Minister of Health.

If there is one thing that is missing from this government's health care policies it is an understanding of what impact it is having on many Manitobans. Nothing could typify that more than yesterday when I received a call from a family, the husband of whom is a heart patient, the wife is a home care worker. They were not phoning on their own circumstances; they were phoning in regard to one of her clients who could barely scrape together the \$50 user fee that was necessary to come to Winnipeg to have her second leg amputated. This woman, by the way, is a former neighbour of mine, someone I know personally.

I want to ask the Minister of Health, in regard to one of the user fees they imposed a few years ago, Northern Patient Transportation, whether he has finally listened to northern Manitobans and whether there is any change to Northern Patient Transportation that will relieve the burden on women such as this person I talked about yesterday who could barely scrape together the \$50 to come to Winnipeg to have her leg amputated.

Hon. James McCrae (Minister of Health): Madam Speaker, the honourable member knows that no one would feel anything but sympathy for a person in that sort of a circumstance who has to face that kind of a surgical procedure. It would not matter where you live. Anyone facing that is in a difficult circumstance, and no one would deny that. In fact, everyone here would understand that.

There are people in other parts of the province too who pay more than the person in northern Manitoba to access services. The honourable member knows that and ought to remember that when he is asking these questions.

Mr. Ashton: Will the minister answer the very simple question I asked? Has he made any changes to the Northern Patient Transportation Program user fee?

Mr. McCrae: No, we have not made any changes to that fee.

Inflation Rate Government Forecast

Mr. Tim Sale (Crescentwood): Over the past year, Manitobans have experienced relatively high rates of inflation by comparison with the rest of the country. Winnipeg, in particular, has had quite a high rate of inflation, I think at various points during the year the highest in the country.

I wonder if the Minister of Finance could tell the House what level of inflation he expects Manitoba will experience during this next year.

Hon. Eric Stefanson (Minister of Finance): I believe the estimates for inflation, both Manitoba and Canada, are in the 1.5 to 2 percent range.

Mr. Sale: I wonder then why the minister would use the figure of .4 percent in his budget, thereby deliberately misconstruing the possible revenues to this province, making it appear to Manitobans that we would not have the revenues to support programs like Pharmacare and Home Care when he tells the House the truth of the story is, we will have 1.5 to 2 percent, not .4 percent as he puts in his budget.

Mr. Stefanson: Madam Speaker, the member for Crescentwood clearly shows a lack of understanding of how the budget is prepared. I would be more than prepared to take whatever time is required to teach him how the budget is prepared, along with his Leader, because particularly his Leader and some who have been in government should know that in the current budget year in 1996-97, what we are using are the best estimates available.

We get estimates from the federal government in terms of the transfers from the federal government. We get estimates from the federal government in terms of the estimated actual personal income tax, corporate income tax. We use the base of our current retail sales tax and build an adjustment to that.

What he is referring to, where we use the economic model of economic growth, that is for 1997 and beyond. It is not for 1996. So for 1997 and beyond we do run an economic model based on economic growth.

I will admit, for that model, based on today, we are using the lowest projections because we feel the most prudent thing to do is to be cautious in terms of what those economic growth figures might be, unlike members across who will build in artificially high numbers, then find out the revenue is not there and then need to scramble to either run deficits or increase taxes, things that we do not do.

Mr. Sale: Madam Speaker, would the minister then explain why, on page 8 of the financial review and statistics the year 1996 appears, not 1997, and the inflation assumption is .4 percent, not even within the range of any of the assumptions made by any forecasters, far below, and below any level reached in Manitoba since the Depression of the 1930s? How is that a reasonable revenue expectation?

Mr. Stefanson: It does not matter what page it is on. Obviously the member for Crescentwood—the member clearly did not listen to my previous answer. Based on his subsequent question, he could not have listened at all. I explained to him how the 1996 figures are arrived at in terms of our budget. Information on economic growth, employment growth, all of those numbers are provided as information in a document, but in terms of preparing our revenue numbers, they are based on the actual projections provided both by Revenue Canada and the federal government and our own analysis. We do not run the economic model.

He did not seem to either listen or understand, and both of those are a problem.

Madam Speaker: Order, please. The time for Oral Questions has expired.

MEMBERS' STATEMENTS

Rural Communities

Mr. Mervin Tweed (Turtle Mountain): Madam Speaker, I rise today to affirm in this House a feeling of energy and excitement that is building in our rural communities.

Over the past two months, I have had the pleasure of co-chairing the Working for Value task force, of meeting with rural Manitobans from all parts of our great province. These meetings confirmed for me a feeling that

I have long held that our rural residents are the backbone of our province's economy and are vital to the future prosperity.

In tabling its provincial budget yesterday, this government reaffirmed its commitment to our rural communities and recognized the important role it plays in Manitoba's future. By increasing funding for rural economic programs by 10 percent, we are providing the means for the momentum that is evident in our rural economies to be built upon.

Madam Speaker, rural Manitobans have embraced such programs as the Rural Economic Development Initiative and the Grow Bonds Program and have used them to create jobs and generate investment in their communities. They have embraced this government's effort to give them a more direct role in the direction of programs, and this is reflected in the tremendous success of the Community Works Loan Program.

The other day's budget also outlined an irrigation initiative that will help develop water supply for an expanded agricultural development in our province and, together with a new Enhanced Crop Insurance Program, gives our producers the tools and security they need.

Madam Speaker, this government made a commitment to work with rural Manitobans to help strengthen their communities, and they have responded in an overwhelming way. We have created a climate of confidence where their ideas and initiatives can be built upon, and we are seeing and feeling the positive results.

The commitment that this government continues to make to rural Manitobans will ensure that the energy and vibrancy that was so apparent only gets stronger and will provide our young people with a prosperous future in their home communities.

* (1430)

Mining Industry in Manitoba

Ms. MaryAnn Mihychuk (St. James): Madam Speaker, mining has long been a major industry in the province of Manitoba. In 1988, for example, the value of production exceeded \$1.7 billion. The previous NDP administration, through the Manitoba Mineral Resources and working with industry was able to preserve

communities and open new mines. Sadly, the Filmon government, which took office that year, saw the North and mining purely as a source of revenue.

In 1989, over 4,600 people worked in the industry. By the end of the year, Puffy Lake and Lynn Lake gold mine were both shut down. Three mines shut down in Snow Lake between '92 and '93. The Tantalum mine also closed in Lac du Bonnet in 1992 for some time. In October of 1992, Inco itself shut down for three weeks. Now, today, we see 3,353 people working in the industry—over 1,000 jobs lost.

The increase in commodity prices, Madam Speaker, has resulted in the reopening of four mines in the past few months. This year, contrary to the misinformation of the Premier (Mr. Filmon), the industry has far to go to regain the strength that it had during the previous administration. This year, exploration expenditures are estimated at \$40 million less than 1988. The Filmon years have been years of declining jobs, revenue, exploration and the closing of mines. World-wide increases in commodity prices is resulting in increased mining activity in northern Canada and in Manitoba. It is time the Premier and his ministers stopped misinformation and acted in the public interest.

Public Safety

Mr. David Newman (Riel): Madam Speaker, the issue of public safety has long been a priority for us. During the election last year, we promised to support initiatives which would keep Manitobans safe, and a key commitment we made was to provide additional funding to the City of Winnipeg to put more police officers on city streets. Our latest budget will allow Manitobans to rest assured that we are keeping that promise. The budget reaffirms that this government will be providing the city with \$2 million to put additional police officers on the streets of Winnipeg. This will translate into 40 new police officers.

Our efforts to keep Manitobans safe also extends to our continued support of Winnipeg's Downtown Watch civilian safety teams. These teams help deter crime and create a more secure environment in the city's downtown. This benefits all of us—business people, people who work downtown and even those who shop, eat or go downtown for entertainment. Personal security extends beyond

feeling safe on our streets, however, Madam Speaker. That is why the honourable Minister of Justice (Mrs. Vodrey) is working to ensure that the victims of stalkers are protected. By allowing for the removal of their names from voters' lists, their privacy is ensured and a greater degree and sense of security is achieved.

It is important to recognize that it is just as important to work to prevent crime as it is to deal with its effects. For this reason, we have initiated the Urban Sports Camp Program which will provide Manitoba's youth with a positive alternative to gangs, violence and criminal behaviour. This is our latest program in a series of positive steps to help our youth become healthy, productive and active members of their communities.

However, Madam Speaker, we all have a role to play as MLAs in making our communities safer. In fact, in my home constituency of Riel I will be hosting a curling bonspiel April 20 intended to raise funds for the creation of a youth centre for at-risk teenagers. It will provide a safe haven, positive role models and programming and a supportive atmosphere for our youth. I would like to thank everyone who has worked very hard to get this event off the ground, people who have volunteered their time, their efforts, their financial support, in order to make this worthwhile project a reality. Thank you very much.

Potential for Spring Flooding

Ms. Marianne Cerilli (Radisson): I want to raise an issue and draw the attention of members of the House to an issue that affects many residents in Manitoba but dramatically affects about 200 families in the constituency of Radisson, and that is the potential for flooding this spring and the damage that it will cause to many family homes.

I was pleased to see that the government brought forward a statement to the House that they are preparing to open the floodways to deal with the anticipated high levels of water. I also want to remind the government that they have made a commitment to consider cost-sharing, on a 50-50 basis, flood protection for the area of south Transcona. In the government's statement today they said that preparation is the best defence against flooding, and I hope that they will put that into practice in the area of south Transcona and ensure that they work

with the city and the federal government to provide the necessary funds to protect this area which has seen many disastrous springtimes, as well as other times of the year for flooding.

I want to remind the government that it will save money in the long run if they invest in flood protection. It does not make sense to have to pay disaster assistance to a number of families when they could save that money by creating jobs in infrastructure development. I find that it is a problem that this government and the federal government currently have no program in place to fund infrastructure for flood protection, and I want to urge them to create such a fund so that families are not inconvenienced and bear the financial cost of flooding.

In closing, I want to encourage them to live up to their commitment and work with the city and not play games with waiting for the city to present a proposal and approach the city immediately to work together to create a proposal that will meet the needs that are affecting Transcona. With increased development on Dugald Road they are seeing worse flooding each spring. Thank you, Madam Speaker.

Statistics Canada Report Release

Mr. Edward Helwer (Gimli): The theme of our ninth budget was one of building confidence. This confidence has been—

Madam Speaker: Order, please. I wonder if I could ask the co-operation of all honourable members to either take their seats or sit in the loge so that the honourable member for Gimli will be given the respect he deserves in giving his member's statement.

Mr. Helwer: The theme of our ninth budget was one of building confidence. This confidence in Manitoba's economy was further emphasized by the Conference Board of Canada which indicated Manitoba's economy is steamrolling ahead. Our government is committed to ensuring long-term employment opportunities exist for Manitobans so that our prosperity and security can be passed down to all our children. Our province has been recognized repeatedly as having a strong and vibrant economy. We heard that 10,000 new jobs were created in 1995 alone, that our province had the lowest youth

unemployment rate in all of Canada and that we had the largest drop in the unemployment rate in a generation.

The successes emphasized in our budget have been reaffirmed today with the release of Statistics Canada's report. The Statistics Canada report states that March was an excellent month for job growth in Manitoba. Total employment reached 525,000 persons on a seasonally adjusted basis, up 2,000 from the 523,000 the previous month. This follows very strong gains in February, when total employment rose by 7,000. Our March increase in employment was concentrated in full-time private sector positions. Our gains are in sharp contrast to the national performance, and, for the first three months of 1996, full-time employment in Manitoba is up 6,000 or 1.6 percent over the same period last year. This is four times faster than Canada's .4 percent rate of full-time job growth so far this year.

So Manitoba's seasonally adjusted unemployment rate was 7.2 percent in March '96, down from 7.6 percent in February '96 and, once again, second lowest among all other provinces. So our government laid the foundation for economic prosperity when we came to office eight years ago, and we have been and continue seeing the significant gains made as a result. These gains have clearly impacted a significant number of Manitobans in a positive manner, as the numbers I have mentioned attest to.

I am confident that given the strong gains in full-time employment posted in just the first three months in '96, Manitoba is set to once more lead the provinces in all economic indicators. Thank you, Madam Speaker.

ORDERS OF THE DAY

BUDGET DEBATE (Third Day of Debate)

Madam Speaker: To resume debate on the proposed motion of the honourable Minister of Finance (Mr. Stefanson) that the House approve in general the budgetary policy of the government and the proposed motion of the honourable Leader of the official Opposition (Mr. Doer) in an amendment thereto, standing in the name of the honourable member for Inkster (Mr. Lamoureux) who has two minutes remaining.

* (1440)

Mr. Kevin Lamoureux (Inkster): Madam Speaker, yesterday at 5:30 I had the opportunity to conclude my remarks which I started at five o'clock, which indicated the general theme that this government does have a fixation. That fixation no doubt is on the deficit, but there has been a tremendous cost. This has been a government that has clearly demonstrated that it does not have the heart or it does not care, it does not have the compassion, for Manitobans.

With that, we express our great disappointment in this budget, and therefore I would move, seconded by the member for The Maples (Mr. Kowalski),

THAT the amendment be amended by adding therefore the following words:

And further regrets

THAT this government's 1996 budget document points out the real meaning of their 1995 campaign promise "Manitoba Strong" which we now know to mean "Manitoba for the Strong" and thereby demonstrate their lack of caring and compassion for Manitobans.

Motion presented.

Madam Speaker: The subamendment is in order.

Hon. Harold Gillehammer (Minister of Culture, Heritage and Citizenship): Madam Speaker, I am pleased to be able to have my opportunity to respond to what is truly a historic budget here in Manitoba, our second consecutive balanced budget consistent with the balanced budget legislation, and I think reflect the great confidence Manitobans have in a government that will continue to have surpluses and will continue to balance the budgets in years to come.

Before I get into it however, I must say I was rather disappointed in the Leader of the Opposition not being able to offer any positive contributions in his response yesterday.

I was able to listen to the deputy leader of the Liberals and I do recognize that he said that he was prepared to offer congratulations when there were good parts of the

budget and I think I respect a more open attitude than I sensed from the Leader of the official opposition.

This is truly a historic balanced budget again in Manitoba and Manitoba is consistently leading the way in bringing forward budgets which allow us to live within our means, budgets that will continue to run a surplus and give us the ability to pay down the in excess of \$7 billion of debt that has been accumulated over the last 20-some years here in Manitoba. The other important component of that of course is that within the budget there was a commitment that there would be no new taxes, no change in the provincial sales tax, no hike in income taxes or the corporate tax and, again, Manitobans, Manitoba businesses, other levels of government in Manitoba have received this with warm acceptance and it gives them some sense of certainty as to what their government is going to do.

I think that I would like to refer to some of the comments that have been made by other more objective people about the budgets. The editorial in one of the Winnipeg newspapers following the budget indicates that Finance Minister Eric Stefanson's budget provides plenty of reasons to be optimistic about the province's future. That optimism is recognized, as the member for Turtle Mountain (Mr. Tweed) indicated in his statement today, by many people throughout Manitoba. That optimism is recognized by other levels of government, other companies across Canada, and I dare say the only place that optimism is not recognized is within this Chamber amongst members of the opposition and some of their followers.

The editorial comment also indicates the commitment we made in 1988. When the Tories first came to power in 1988, they promised to reduce taxes, balance the books and make Manitoba more attractive for investment. They have lived up to those promises over the years. Now if anyone truly listened to the Leader of the Opposition's (Mr. Doer) speech yesterday, any of the comments he made were contrary to that, and here you have an objective analysis of the budget which certainly says that we had set some targets in 1988 and we have truly lived up to them.

Our priorities have remained the same, to protect the vital services that Manitobans depend on. Even with the massive federal offload of transfer payments and the

indications even from the Prime Minister that health care is going to change drastically within Canada, that the government and the funding will only be there for catastrophic circumstances, our priority is still health care, education and family services.

In the budget document, the minister has indicated again that we will be spending 34 percent of our budget on health care, truly the highest amount of any jurisdiction in Canada. Similarly, our commitment to education and training and families in Manitoba has been maintained.

Those have been our priorities since 1988 and that is where 90 percent of the new spending has gone, into those three priority areas. This budget that was tabled two days ago has been very consistent in determining the expenditures of this government. Again, Manitobans, citizens across this province, have applauded the balanced budget legislation, the fact that they know we are not going to raise taxes, that they know we are not going to run deficits and the fact that they know that in a very short time we are going to start paying down the tremendous debt that was accumulated over the past.

So I would like to just spend a few minutes in looking at the past and the reason why we have the type of circumstances that we have today where the public debt cost this province 11 percent of our expenditures. Again, our fourth highest level of expenditure within our budget is servicing the debt, money that could be used for programs that has to service a debt that was created in the early 1980s.

Again, I would like to refer to an editorial from April 1 where one of the local papers again tried to provide for Manitobans an understanding of why we are in the situation that we are. The editorial is called Manitoba's hard road, and it indicates quite clearly that the difficult times that Manitobans have had and the Manitoba government has had can be traced to the 1981 to 1988 period where the provincial debt has risen dramatically.

It goes on to indicate that in 1982 Manitoba's all-purpose debt was \$1.4 billion. Six years later, after six years of the Pawley-Doer administration, that debt had jumped to \$5.3 billion.

That is the period of time when the income of government was growing dramatically through excessive taxation, through revenues to the provincial government.

Yet, year in and year out, they ran deficits and created that debt, which went from \$1.4 billion to \$5.3 billion. That is the debt that we have struggled with since 1988. That is the debt that we are committed, through our surpluses, to pay down over a period of 30 years, and that dramatic increase in the debt is still being felt today as the editorial indicates.

In 1982 the Province of Manitoba spent only \$114 million servicing that debt, and in that five- or six-year period when the NDP government of Premier Pawley and the Leader of the Opposition (Mr. Doer) were in power that cost of servicing the debt went from \$114 million to \$545 million. It has taken a number of years now to get our financial house in order, and Manitobans are extremely pleased that over the next number of years they are going to see balanced budgets, they are going to see surpluses, and they are going to see that debt paid down.

* (1450)

What has not changed, of course, is the rhetoric that we hear from the opposition party, a party who is opposed to everything, who have not recognized what governments throughout Canada, throughout North America, governments throughout the world have realized. Since the fall of the Berlin wall there have been many changes taking place across the world, and unfortunately the opposition party in Manitoba still is opposed to everything, have not recognized these changes, and truly are looking at solutions that were in place during those 1980s and during that government of Howard Pawley. They have not adjusted to the new realities. They have not understood the new realities. The Leader of the Opposition (Mr. Doer) and other members of his party are sometimes referred to as the Prince of Darkness and the duke of despair. Everything is negative to them.

In fact, I would refer to another editorial that was written in a Winnipeg paper recently where it talks about NDP governments in other parts of Canada realizing the new realities, and I quote from it. It says, Gary Doer and his Manitoba New Democrats who still rely heavily on the old rhetoric using buzz phrases such as the Americanization of the health care system and who decry privatization whenever the subject is raised risk earning a reputation for old thinking. That old thinking is still

there. They have not changed as their soul mates in Saskatchewan or their soul mates in British Columbia who are in government and realize the tough decisions that have to be made.

In fact, I would suggest that there probably are members of their party who have recognized there is a need for change. I recently got a copy of an article from the Flin Flon newspaper called *The Reminder*, and it talks about a former member, Jerry Storie, having an opportunity to speak when the Leader of the Opposition (Mr. Doer) and the new federal leader were in the audience, and Mr. Storie declares himself a social democrat and a fiscal conservative. He implored both leaders to hold on to their current values while admitting there is nothing wrong with balancing the budget. That is a quotation of a former member, a former front bencher of the NDP. I suspect there were reasons for him leaving the Legislature, and this was advice he was giving to the current Leader and the current leader of the federal NDP, that there is nothing wrong, there is absolutely nothing wrong with balancing the budget. He goes on to say, we have to get away from the notion that balancing the budget is a bad thing only associated with the far right.

It was some tough words for a party whose priority has always been to support social programs at almost any cost, but he says that every once in a while you have to move, you have to get out there, and that is the big challenge facing our party. So the former member, recognizing the need to change policies, the former member who is back in the semi-private sector, acknowledges that balanced budgets are not a bad thing. I would suggest that it would be important for Mr. Storie maybe to repeat that message to the whole NDP caucus and have them understand that balancing the budget is very, very important and that other governments across this land have recognized that. On the other hand, maybe that is the beginning of a leadership speech on his part.

The rhetoric, of course, that comes from the opposition benches is still the same. They do recognize I suppose that there are two choices, and the choices that they have always used are either to tax and spend or borrow and spend. They have to realize that that way of doing business is not acceptable anymore, that they will have to get in step with the rest of the world and also move towards balanced budgets.

I would like to move, next, to what is happening in the economy today, and again my colleague for Turtle Mountain (Mr. Tweed) I think related some of these things in his statement to the House today, about the tremendous things that are happening in rural Manitoba, that the task force that has visited some 27 communities in rural Manitoba has heard about these tremendous successes.

I would also like to talk to the House today about the Conference Board of Canada overview. The Leader of the Opposition (Mr. Doer) was taking some liberties with the headline in the Conference Board's analysis that talked about the economy steamrolling ahead in Manitoba. Before we get into that, I would like to just relate what some of the other headlines were, relative to other provinces, to perhaps make members see that the Manitoba economy fares very well in comparison to other areas.

In British Columbia, for instance, the headline was: growth slows over the near term. In Alberta, growth to rebound in 1997; in Saskatchewan it reflects weak economic growth; in Quebec, prospects of moderate growth; in the Maritimes, a series of negative headlines, economic growth remains muted, recession looms, growth slows as fixed link nears completion in reference to Prince Edward island, and economic activity eases in New Brunswick.

If you look at the entire report, and I have not read the entire report but I have read the Manitoba portion of it, which recognizes the tremendous growth that has taken place in Manitoba. In the budget pamphlet in brief some of this is documented there, about 10,000 new jobs in Manitoba in 1995, a 2.7 percent growth in private sector jobs, the lowest youth unemployment rate in Canada, the population growth at a nine-year high, retail sales up 4.9 percent. These are facts that are recognized by the Conference Board, recognized by other indicators across the country. When the headline says that the economy is steamrolling ahead, and as far as Manitoba is concerned, there is substance to that, there are statistics that back that up. Again, the only people who fail to recognize that, by being selective in some of the cases they bring forward, are the members of the NDP opposition.

I would like to focus a little bit on rural Manitoba and bring some of the members across the way up to date on

some of the activity that is happening in rural Manitoba. Today for instance there was a tremendous headline in the Brandon Sun dealing with the expansion of a plant in Brandon, a new expansion coming there that people in the Westman area are looking forward to. There have been announcements recently about Repap. [interjection] The member for Crescentwood (Mr. Sale) will find something negative in every bright cloud and likes to focus on the negative as usual. I would urge him to have a more optimistic outlook on the future and to take a brighter look at things and see what the reality is instead of leaning back there and probably reflecting on the budget that he writes for Choices every year that is so negative, the pretend budget that he is the architect of.

There are many great things that are happening in rural Manitoba in the potato industry at McCain and at Nestle-Simplot, tremendous expansion, not only in job creation within those plants but the potato acreages that are going to increase, the irrigation that is going to provide for that expanded potato acreage and the jobs that it is going to create in places like Carberry and Portage la Prairie.

There are other bright spots. The mining industry, of course, has been used as an example right across Canada and North America as an area of expansion, tremendous, exciting things happening in northern Manitoba to provide economic activity and jobs in that area. I would also refer to a letter I received recently from the Town of Swan River talking about the development there of the Louisiana-Pacific plant, and this is from the Town Council, again an objective third party which commends the government on the work that was done with Louisiana-Pacific and talks about the number of employees who are in the workforce because of that plant development, also talks about the ancillary services that are required, that existing businesses in the Swan River area have hired an additional 59 employees, that logging contractors now have 140 employees; there is a job creation ratio there that is well above expectations, that 526 jobs have been created in that area.

* (1500)

They also talk about future development in Swan River as a result of this, and this is a development that has gone through tremendous processes that members of the opposition have opposed every step of the way. Again, it is a tremendous development for rural Manitoba.

Through the Grow Bond program and through the REDI program, there is economic activity. There are round tables in most of our rural Manitoba communities. There is a sense of optimism.

Underpinning all of this is the fact that their businesses and investors are pleased that we have a balanced budget, that they are prepared to invest in Manitoba without the fear of higher taxes, whether it be payroll tax or income tax or corporate tax or sales tax that the members of the opposition were so fond of hiking when they were in power.

In fact, I did read a comment from the Leader of the Opposition (Mr. Doer), who praised the Saskatchewan budget and felt that the Saskatchewan budget was a tremendous achievement. What he did not recognize is the tremendous tax hikes that have taken place over the last few years, where a sales tax in Saskatchewan now stands at 9 percent, where about a billion dollars of taxes have been raised by the current government over their mandate and, of course, he does not want to hear that. He did not want to recognize that. He simply wanted to praise a budget that is also a balanced budget.

I compliment the Minister of Finance in Saskatchewan, who was once very briefly Minister of Family Services, sort of an immaculate conversion to the reality, the fiscal realities, that exist everywhere, and I trust that the Leader of the Opposition would read some of my earlier comments so that he would get a better understanding of some of the things that I am saying at the present time.

Madam Speaker, I would like to also spend a little time on the budget as it relates to the Department of Culture, Heritage and Citizenship. Our department, virtually everything we do within the department has to do with the quality of life in Manitoba, and I recognize that the United Nations has twice in recent years recognized Canada as the premier place in the world to live. Certainly Manitoba is a great contributor to that.

If one was to listen to the prince of darkness, one would wonder how Canada could ever achieve a status like that. Or if one was to listen to one of the critics over there for Family Services who consistently talks about the negative things in society how the United Nations could

recognize Canada as the most favourable place in the world to live.

I would suggest that he take a broader view of things and have a better understanding of Canadian society and Manitoba society. Certainly within our department most of what we do impacts on the quality of life within our province. In fact, newspapers and media coverage across the land has touted the cultural community in Winnipeg. Probably the best example of that was an article in The Globe and Mail recently which talks about the Manitoba art scene gets a standing ovation, that the art scene in Manitoba, whether it be the professional groups, the theatre centre or whether it is the ballet or the symphony, are on a level that Manitobans enjoy and appreciate, one that is virtually debt free, one that many members of this House enjoy from time to time. Again we have been able to maintain our funding through this budget for those major arts organizations to improve and continue to enjoy the quality of life here in Manitoba that we have enjoyed over the last number of years.

This is in stark contrast to the commitments that other governments are making. The federal governments, municipal governments and other provincial governments are dramatically decreasing their support for those arts organizations in other jurisdictions. Manitobans attend more events per capita than any other jurisdiction in Canada, there are more supporters of the arts in Manitoba than other jurisdictions, and we have a tremendously vibrant and healthy arts community within the province of Manitoba.

Truly Manitoba has been identified as a cultural hotbed in North America. Beyond the international recognition of performing companies such as the Royal Winnipeg Ballet, the Manitoba Theatre Centre or the Winnipeg Symphony Orchestra, our government has maintained and fostered a grassroots appreciation of the arts. We have more Manitobans from all areas of the province enjoying the arts than other jurisdictions across Canada.

Winnipeg has been cited by national media as being the most culturally rich city in Canada, but this recognition goes far beyond the major cultural agencies in Winnipeg and extends to all of Manitoba. Through our continued support of the arts, the Manitoba Arts Council and our own provincial Arts Branch, we have

reinforced our commitment to the cultural enrichment of all communities in Manitoba.

Just recently I had the opportunity to attend the Winnipeg Symphony performance in my home community of Minnedosa. Bramwell Tovey and Max Tapper and 31 musicians from the Winnipeg Symphony were making a rural Manitoba tour, and this was the first time they stopped in my community of Minnedosa. We had a sold-out house, and the crowd was very appreciative.

Very importantly, one of the newest members of the orchestra that day—it was his first performance—was a young man who grew up in Rivers and took his training in Brandon and later in Halifax, and now through a competition was able to achieve the status of being one of the violin players with the Winnipeg Symphony Orchestra. I would like to remind all members of the House that our tremendously strong cultural institutions within the province are paying dividends not only from the performance end but also providing employment for members of the community within Manitoba. All of these, then, and more illustrate that our continued commitment are an important element in the quality of life of all Manitobans, and I know that sometime in their questions and speeches and perhaps in Estimates members of the opposition will get an opportunity to recognize the tremendous contribution that the arts play within this province.

Each year I have the honour of attending the conference of Provincial Recreation Volunteers, and part of our quality of life is to have a tremendous army of volunteers across this province who help to deliver the recreation programs in all of our villages and R.M.s and towns across the province. Again, we are pleased that we have been able to maintain the funding, not only for the arts side, but also for the recreation side. The co-operation of these volunteers, our own recreation consultants and all the recreation directors from around the province through our Recreation Opportunities Program are a great example of how we can form healthy communities. I think that more and more we are seeing, especially within our department and especially within the Recreation branch the tremendous impact we have on the wellness of Manitobans and to encourage more and more Manitobans to take responsibility for their own health, to participate

in recreation activities and be not only a benefit to their community, but it is a tremendous benefit to themselves.

Our record of supporting local programming as well as institutions such as museums and libraries is certainly tremendous. Two budgets ago we were able to show a 50 percent increase in the budgets of libraries cross this province. We have put more funding in for automation and within the last year have had the opportunity to attend the openings of libraries in Stonewall and, I believe, Ste. Anne and one coming up in Neepawa where, through partnership with our department and community groups, not only are existing libraries being enhanced but also new ones are being built.

I mentioned museums. Certainly the Museum of Man and Nature is the foremost reason why people come to Manitoba to visit our province, to visit Winnipeg in particular. That museum is outstanding in the programming that they offer and the manner in which that museum is operated. So, again, I am pleased that we have been able to maintain our funding for those institutions within the province.

Madam Speaker, while continuing to support the social services I referenced before, health, education and family service, to a greater extent than the previous government, we continue to emphasize our support for all these areas that enrich the quality of life for all Manitobans.

* (1510)

I would like to just take a minute to say probably one of the real growth industries within culture is the film and sound community. You will be able to see at this time and shortly a number of new presentations that have been the responsibility of CEDO and have reached a certain amount of popularity and success across this country, films such as *The Last Winter*, *For The Moment* that were produced in Manitoba by Manitobans with film crews that take on about 60 Manitobans and provide work and opportunities for them. There are more films on the horizon through some of the producers and directors within this province, and I can tell you that there are tremendous opportunities there for people who want to work in that industry. At the present time, we have two full film and sound crews within the province and there is a tremendous demand for more.

I am pleased that the City of Winnipeg has created the position of film commissioner, I think he is called, to try and encourage more of these films to come to the city of Winnipeg, and I am sure that you are going to see these films being produced, not only in places like Gimli and Brandon and Winnipeg but in other areas of the province as well.

I think that my time is quickly running out. I would just like to go back to some earlier remarks and talk about changes that need to take place. Members opposite have always been against privatization of Crown corporations and other efforts that government is involved in, and I am pleased to see that their cousins in Saskatchewan, the Saskatchewan government, is now looking at some privatization within that sector.

I would like to report that McKenzie Seeds, which until recently was a Crown corporation, is now owned by Regal Greetings & Gifts of Toronto, has had a very, very successful year. They have signed a number of new contracts. Their profit margin is up considerably. They have made agreements not only with Regal but also with the Disney Corporation, and they have improved their product line. All of the preconditions that were set for that corporation have been met and exceeded, and we are very pleased with the development.

Again, the people who are part of the management and ownership structure say very clearly, it is the balanced budget, the low taxes, the fact that the government is going to address the debt situation in this province that makes it an attractive place to do business that are the reasons that they were willing to move into Manitoba to purchase a historic company which is a hundred years old this year and to meet all those preconditions and commitments that were set and to be very much in an expansionary mode in the near future. So thank you, Madam Speaker, for the opportunity to make my contribution to the budget.

Mr. Doug Martindale (Burrows): Madam Speaker, as I begin my budget address, I would like to talk a little bit about my constituents in Burrows, the kinds of people who live in Burrows and a little bit about their expectations and then compare the Budget Address and how it affects them.

We have a very large working-class population in Burrows. We have quite a number of middle-class people, especially those who have two incomes. However, we are greatly over-represented by poor people, particularly those people on unemployment insurance and social assistance, and we have a very high percentage of senior citizens. I believe the average percentage for seniors in Winnipeg is about 12 percent. In Burrows, I believe, it is about 20 percent. In fact, there are three seniors high-rise buildings in my constituency and one public housing seniors complex. So there are actually four different kinds of seniors accommodation in Burrows.

I think that all of my constituents in Burrows expect an affordable, accessible, universal, nonprofit health care system. I think this is something that all Canadians have come to expect since medicare was brought in by the federal government in the early 1960s, and I think we pride ourselves on having a health care system that costs less money than the American system, provides coverage for everyone, whereas in the United States about 30 million Americans have no public health insurance or private health insurance and many more people are very poorly covered and people have come to appreciate this system and expect it to be there when they are in need.

They also take it as a given or take it for granted that we pay for the health care system through our taxes. Even though we may be in good health, we expect to pay for the health care of other people when they need it and for ourselves when we need it. In fact, this is true of many other kinds of government services. It is not always well understood by the public, particularly when it comes to education. Frequently, one will hear seniors complaining about having to pay education taxes when they do not have children in school, but it is really no different than the health care system, where it is predominantly used by the sick but everyone, including the healthy, pays for it. Certainly health care is used by many seniors, but I do not think they think about that when they think about paying education taxes.

I think everyone, though, expects an education system with high standards and high expectations of students with well-trained teachers, an education system that is inclusive and an education system that is becoming more and more inclusive, particularly of students who are handicapped. We are now putting them into the

mainstream instead of segregating them into other schools. I think that is beneficial in many ways. I think it makes those individuals feel included, and I think it means for a more compassionate society and compassionate fellow students if they can meet these individuals and befriend them rather than never having the opportunity to meet them because they are in different educational settings.

My constituents in Burrows, like other Manitobans, want jobs. They want to work, including the many, many people who are on social assistance. I meet them every day. I meet them when I am canvassing door to door. I certainly get many phone calls from them, particularly when there are social assistance cuts, and I can tell you that the vast majority of those individuals genuinely want to work. They want to contribute to our society. They want to feel good about themselves.

Certainly, when we work, it helps our self-esteem. It helps us to feel positive about ourselves as individuals. Part of that self-esteem comes from knowing that we are making a contribution to being independent ourselves, to supporting ourselves and our family, and to making a contribution to our society.

My constituents in Burrows also are very concerned about personal safety. People want to live free of fear. People want to feel safe to walk down the street, feel safe to live in their own home without having their home broken into or their cars stolen.

The previous speaker, the Minister of Culture, talked about his portfolio, talked quite a bit about the arts. Now I do not know what percentage of people in the north end and what percentage of people support the arts. I do know that there are a lot of people who might want to but cannot afford to. In fact, the same thing is true of sporting activities. There are many people who would like to go to Winnipeg Jets games but cannot afford to attend. I think there are many more people who attend Blue Bomber games because the ticket price is much more affordable. In fact, I quite often sit in the end zone, and I know that there are people from the north end there because I see them and talk to them. It is certainly a much more affordable alternative.

I personally support the Blue Bombers in that we bought two season tickets. We went out on a limb. We

might have forfeited \$50, but it looks like they met their quota for season ticket sales, so we will benefit from all of the money that we spent on Blue Bomber tickets, especially my son Nathan, who is a Blue Bomber fan.

Madam Speaker, I would like to delve into the budget address of the Minister of Finance (Mr. Stefanson), and, once again, I would like to talk about some of the statements, including one that I brought up in Question Period wherein the Minister of Finance said that his government wants to protect priority social services such as health, education and support for families.

I think the rhetoric is there, but the truth and honesty that I would want to see from this government is not. Certainly it is not truthful to say that they are protecting and making a priority out of health when there are numerous cuts in the health budget.

The same is true of education. We know the education funding was cut by 2 percent for public education, although it was increased for private education. We are not really sure how much because the Minister of Education (Mrs. McIntosh) was not very forthcoming in her answers. However, I am sure I will find out from my colleagues exactly how much the private education system was increased this year.

Support for families—this government is supporting families in some way, and that is true, but there are cuts to families, and that is not mentioned. It is certainly not protecting families or making a priority of social services when people on social assistance had their rates cut by 10 percent in two categories and 2.6 percent in another category and there were other hidden cuts as well.

*(1520)

The Minister of Finance (Mr. Stefanson) in the Budget Address said that they will confirm their commitment to health care, a commitment that is second to none. Well, I do not know how the Minister of Finance can have the gall to say that when we know that there has been a huge increase in Pharmacare deductibles, when eye examinations are no longer going to be covered under medicare, when there are cuts coming, at least in wages to home care workers. We are not sure what the effect is going to be on people yet. I am sure once privatization is

brought into effect, we may see some effects on individuals.

The Minister of Finance talks about investing in people and says that it is essential to create the wealth necessary to maintain our vital social services and quality of life. I think that is a rather fundamental phrase. It certainly reflects the values of this government whereby they continually talk about the creation of wealth. I think it points to one of the fundamental differences between the Conservative government and the New Democratic Party opposition.

We have no quarrel with the creation of wealth. However, we put more emphasis on the redistribution of wealth, in fact, a more equitable distribution of wealth. This government is going in the opposite direction because they are unwilling to tax wealth or to increase taxes on corporations or to even urge the federal government to do so. I think it is important to recognize that the federal government has a lot more room to maneuver in this regard. There are many more tax deferrals, tax avoidance schemes, deductions and other means whereby corporations do not pay their fair share of tax in an area that the federal government could move on.

The provincial government I recognize is much more limited in its ability to capture some of this wealth. However, even the opportunities that they have, the government has chosen not to do so or in fact has given more and more tax breaks to corporations since they came to office in 1988.

The minister in his Budget Address continually blamed the federal government for their cuts in social transfers and for their cuts in other ways, but I suppose they are particularly referring to the Canada Health and Social Transfer, which replaced the Canada Assistance Plan and the previous agreements for funding health and post-secondary education. We know that the federal government is going to take a total of \$7 billion out of those funds to the provinces, and of course the cumulative impact in the long term will be much greater.

We in this party have continually criticized the federal government for offloading in this area to the provincial government and for giving up responsibility in these areas so that, for example, under the Canada Assistance Plan there is no longer the kind of criteria that used to be

in place which required that there be the right to appeal, that minimum needs be met and other criteria that were part of the Canada Assistance Plan that is now gone.

We join with the government in being critical of a federal Liberal government that brought in many of these programs, in fact, enacted the Canada Assistance Plan in the 1960s. However, I think some of their criticism rings hollow because, ideologically, I think they support the federal government in their budget reductions. We do not know whether they support the speed at which it is happening or whether they want to go faster, like the Reform Party in Ottawa

does, but I suspect, because of the things that they say about deficits and debt and their debt reduction plan, that they are probably cheering the federal Minister of Finance, Mr. Paul Martin, so for them to day after day stand up in this Legislature and in Question Period and condemn the federal government for cutting funds to social programs rings somewhat hollow.

Now, if they want to distinguish between social programs and other kinds of debt reduction, that would be fine, but we do not hear that kind of distinction. We do not hear them suggesting that the federal government do it differently or reduce [interjection] Well, I have not heard the provincial government say that the reduction should be greater in defence, for example, where the budget is \$12 billion.

I am still waiting for the Minister of Finance (Mr. Stefanson) or any of his cabinet colleagues in Question Period or in speeches to tell us where they think the federal government should cut differently, other than in the Canada Health and Social Transfer. I would be very interested in hearing some specifics from the Minister of Education (Mrs. McIntosh) or anyone else.

The budget speech talks about health care and how this government is allegedly working in consultation and partnership with all stakeholders. I think their definition of stakeholders, which is actually overused jargon, is quite different from ours. I would think that if you are going to consult with everyone, you consult with the users, you consult with the public, and I can think of no better example than the plan to close hospitals, particularly the two urban hospitals that are likely to get closed completely. We do know they have this urban

design team. It has a lot of doctors on it. It has some administrators on it. I do not even know if there are any nurses on it, but certainly there are no members of the public there. The process is quite secretive and the people who are going to be the most affected have not been consulted. Certainly the residents of the Misericordia area are very concerned. The residents of Concordia hospital area and Seven Oaks are extremely concerned about the possibility of losing a hospital or seeing major changes, but they have not been consulted. They really are in the dark on this one, so it is not really accurate to say that there has been consultation and a partnership with all stakeholders.

The same is true with Pharmacare deductibles. The same is true with eliminating eye examinations. The same is true with home care. The people who are being affected have not been consulted. We know, though, that private companies have probably been consulted, because we had Treasury Board documents that we made public that showed that the City of Winnipeg was going to be divided up into quadrants, and the names of the private companies and VON were on one of those documents.

The budget document and the budget speech talks about protecting those in need. I think that is rather misleading language. I think attacking those in need would be a better way of describing this. Certainly the welfare fraud line is attacking those in need. The budget cuts are attacking those in need, and the proof was in the cuts announced recently by the Minister of Family Services (Mrs. Mitchelson). Even one of their partners, the Mennonite Central Committee, was extremely critical of this government for their cuts in welfare rates, so even when they do have partnerships, even the partners do not agree with them about what they are doing, and it is going to be very interesting to see if they actually do create 700 jobs.

I am sorry I do not have the charts with me, but the caseload is extremely high. We have 26,000 cases on provincial welfare and over 16,000 cases on city welfare. The total number of people is extremely high, and this government has made many more people deemed employable; in other words, there is a very high job expectation on them. Yet out of those tens of thousands of people, this government only plans to put 700 of them into the workforce, which is extremely small.

The government has taken \$4 million out of the daycare budget, and they said that the budget is lower this year reflecting the actual usage of this program in the last two years. Of course, we know why that is true. We know it is based on policies going back to 1993 when the previous minister increased daycare parent fees from \$1 a day to \$2.40 a day and to reducing the number of weeks to search for a job from eight weeks to two weeks. So, of course, the result of these policies was that fewer parents were using daycare and the money was not spent.

In fact, I pointed this out at a press conference two weeks ago and said that they were underspent by \$10 million, the figure that I got from the annual reports of the Minister of Family Services (Mrs. Mitchelson), and so what the government did was only took out money that they knew was not going to be spent anyway.

This government has a strategy on collective bargaining. It is not a very good strategy. It kind of reminds me of the Mike Harris Conservative government in Ontario. I was there a couple of weeks ago, and I attended a rally at the Legislature with about 5,000 civil servants, and I wish I had bought one of the buttons that people were wearing so I could bring it back and wear it here in the Legislature, but it said, no justice, no peace. I think not only is the Mike Harris government asking for class warfare and getting it, but the Filmon government of Manitoba is asking for class warfare and they are going to get it.

* (1530)

We are going to see lots of strikes in Manitoba not just amongst provincially employed civil servants but also probably, if the government goes ahead with its misinformed plan to attack teachers, we may see strikes in the Department of Education amongst teachers employed by school boards. This is a pretty crazy solution to a problem that could be solved other ways. We know that parents do not want teachers to have the right to strike. We know that teachers do not want the right to strike, and I believe that the vast majority of Manitobans do not want teachers to have the right to strike, and yet it looks like the Minister of Education (Mrs. McIntosh) is bound and determined to follow this path. It is certainly going to lead to problems in the future.

The government plans to introduce legislation 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 the Manitoba taxpayers. Well, we know that this is an attack on civil servants and union members and people who are paid by government, but let us just think of all the private-sector companies and organizations that get public money. The first one that came to my mind was the Winnipeg Jets and Barry Shenkarow. Does this mean that the government is going to require that the Jets salaries all be made public, and the management salaries all be made public, and the owners salaries all be made public? I think that would be very, very interesting reading for Manitobans. In fact, then we might be able to figure out why the operating loss agreement is going to cost taxpayers in Winnipeg and Manitoba \$57 million to \$60 million. So we look forward to seeing that legislation. I do not think we are going to see the provisions that I would like to see in it, but there is certainly no reason why we could not amend it to include that.

The government talks about their surplus. I think we should talk about the bond rating agency who said that the projected \$48 million surplus was not going to be a surplus at all but a \$96 million deficit. I am sure that my colleagues will have more to say about this, and I think that the Provincial Auditor will too. I think the Auditor will probably give us the real numbers as has happened in the past, as happened with the surplus in 1988 that this government never wants to talk about because they hid it in their Fiscal Stabilization or slush fund, so that they would not have to admit that an NDP government had a surplus, something that they have not been willing to admit since 1988.

Madam Speaker, I would like to go back to my constituents in Burrows and talk about how this budget is affecting them, and one of the biggest effects and one of the greatest concerns in my constituency is the potential closing of Seven Oaks Hospital. We think that it is unfair to the patients to have to go either to another suburban hospital such as Concordia or Grace Hospital if their doctors get admitting privileges there or to have to change to another doctor who has admitting privileges at St. Boniface Hospital or the Health Sciences Centre, because one of the implications is that they are either

going to have to follow their doctor or get a new doctor. I am sure that there is no one in my community or no one in north Winnipeg who would look forward to taking a bus from north Winnipeg to the Grace Hospital, for example, or even to Concordia.

So many people are going to end up at Medical Arts Building and other doctors in the inner city who have admitting privileges because they are on the faculty and have teaching and admitting privileges at St. Boniface or at the Health Sciences Centre. People who have come to expect a medicare system that is accessible and paid for through our tax system are now experiencing great dismay, particularly the Manitoba Society of Seniors, who have been quite articulate on this issue, because there are more and more user fees being implemented.

I have heard some very interesting stories about the effects of user fees on people in the past. For example, the summer that Jimmy Carter was at Habitat for Humanity as one of the volunteers, one day the worship was led by one of my colleagues, Reverend Karen Toole-Mitchell. In her worship at the Jimmy Carter worksite on Dufferin Avenue, she talked about her family at one time living in the Crescentwood area, and they owned their own home and they had a lot of pride in that house and being able to enjoy their own yard and their own garden, but Karen's grandmother had to go to a nursing home. At that time—it was before these things were free and accessible—they had to pay for the full fees. As a result, her parents had to sell their family home in Crescentwood and move to a tenement that is on the current site of Lord Selkirk development, tenements that were bulldozed in order to make way for public housing.

She said, and I do not mind repeating it here, that her father became a broken person after this experience, because they lost the security of their own home; they lost the enjoyment of their own home and ended up living in rental accommodation, in extremely unhealthy conditions, and it changed their family life forever.

* (1540)

That is what we are going back to with fees for nursing homes. People are going to be paying and paying for a service that was once covered through our tax system in a way that is most unfair. The same is true of Pharmacare. This is really a tax on the sick. We are

changing one of our fundamental values of being a caring and sharing society, of following the Tory agenda, being a more competitive dog-eat-dog society where the individual is going to have to bear the burden of individual user fees, which is really what the Pharmacare deductibles are. It is really not a tax on everyone where the community shares in the tax burden and pays for everyone but, instead, those who are sick will pay through increased deductibles.

We think that there are going to be user fees in home care. Now, the government is putting out a lot of propaganda denying this, but we have the Treasury Board documents that were given to us which show that there will be core services which will be free and then there will be user fees for the noncore services that are free. It is just a matter of time before the government implements this.

In the field of education, I believe that my constituents in Burrows, the vast majority are opposed to the attack on teachers and giving them the right to strike. In the area of employment, we see almost nothing in this budget that is going to help the large numbers of people in Burrows constituency who are unemployed. We think the government could be doing much, much more. In fact, they have continued to cut employment creation programs over the years and cut access programs like New Careers, cut funding for students at places like Winnipeg Education Centre. They eliminated SOSAR, which helped single parents go to university and have their education paid, and now it is much, much more difficult for individuals, particularly those on social assistance, to get an education in order to be independent and get off social assistance, which is what this government continually talks about, being independent. This government is making it harder and harder for people who want to be independent to do so.

In spite of all these cuts, there is a 16 percent increase to Information Services, and there is a \$100,000 cut to Making Welfare Work. They are down to one program in the area of job creation and family services, and they cut \$100,000 out of it.

Finally, in talking about my constituents in Burrows, there is really nothing in here that will enhance personal safety. In fact, I do not think this government gets it when it comes to understanding the relationship between

poverty and crime. I think as this government drives more and more people into poverty and reduces their social assistance rates, it is putting more and more pressure on them, and some of these individuals are going to turn in unhealthy ways to crime. Certainly no one in this community or in this party condones that, but I think it is an inevitable result of this government's policies and a very distressing result. I think something that criminologists could give us statistics on to show that there is a correlation, and if poverty increases, then—[interjection] I always thought the member for Turtle Mountain (Mr. Tweed) had good judgment. I hope we do not have to come back to this, but I think as the poverty statistics worsen, we will see an increase in crime.

(Mr. Marcel Laurendeau, Deputy Speaker, in the Chair)

In conclusion, Mr. Deputy Speaker, I would like to talk about the amendment to the government's motion which my Leader has moved and says that we therefore regret this budget breaks every key election promise by (a) reducing program spending by tens of millions of dollars despite the Premier's Plan Manitoba commitment to maintain overall spending at \$4.465 billion until the 1998-99 fiscal year.

We hope, I think all Manitobans hope, that when governments run in election campaigns and make promises, that they will keep those promises. I think we have seen this not to be true in the April 1995 election, so the second part of the amendment is that, "as a result, this government is cutting vital funds for public education, reducing support for the poorest children and families, reducing advanced training, education and job opportunities, reducing support to rural and agricultural communities, and making a mockery of the Premier's solemn election oath that he would not cut health care services; and as a consequence, the government has thereby lost the confidence of the House and the people of Manitoba."

I think particularly of the TV ads where the Premier promised not to cut health care, and the only reason for that ad was that the government knew that our party was more credible on the issue of health care and also on job creation which the government did a flip-flop on and ran on job creation. We have seen almost no job creation since the election, and we have seen numerous broken

promises in the area of health care, and the government will pay a price for this. They are paying a price for it now in the polls, and they will pay a price for it next time at the polls. We believe that people will finally realize that they were deceived during the election and will vote differently next time and vote an NDP government instead of a Tory cutback government. Thank you.

Mr. Denis Rocan (Gladstone): Sir, I find it very fitting here this afternoon that I get this opportunity to speak right after the honourable member for Burrows. I wondered if I would take a run at the honourable member because I believe it was yesterday or the day before when I had the good fortune of running into the honourable member in the hallway. The honourable member, I am sure he is quite aware of the quote that he decided that he was just going to try and lambast me with about what my government has done to his poor constituents.

I believe that the quote would be something to the effect that—and I would ask the honourable member to correct me if I am wrong—your government is rubbing the faces of my constituents right into the dirt. That would be fairly accurate. For that reason and for that reason alone, I take this opportunity to stand here today to try and correct that sort of information that the honourable member is going around his constituency with and I am assuming because of the nature of the beast that we are, the honourable member has no other choice but to sort of portray that sort of a picture of the budget that was brought in by the honourable Minister of Finance (Mr. Stefanson) the other day. So I will take an opportunity, Sir, just to try and correct some of this information or try and figure out why you would want to take that opportunity to run around and—I do not want to use the word *mistruth*. I will not use that word, but some of this misinformation that I believe honestly is getting out there.

It is strange for me to be able to stand here today because it has been an awfully long time since I have had the opportunity to speak in this House, an awfully long time, but it does give me great pleasure to rise today to respond to the budget, one which has reflected the desire of Manitobans for a government that will provide prudent financial management, strong economic development initiatives and a sincere commitment to the delivery of programs and services to the citizens of Manitoba.

It has taken me several years to be able to make that statement here in this Legislature. I was very fortunate to

have been the servant of this House for many years, and I had to rely on the knowledge of certain individuals within government who were in positions of trust and authority to accurately bring forward certain government initiatives that I knew would be beneficial, not only to the province of Manitoba but to also include the constituents of Gladstone. I had to remain silent while these decisions were taken by the House. I took no part in the formation of any initiatives that the government was proposing. I laid my trust and that of my constituents in the hands of the majority.

Now I have the luxury of saying, since our government first gained office, our priorities have remained firm and our commitment to Manitobans has not wavered. Our goal has been and will continue to be to provide the necessary framework to allow Manitobans to adapt to changing circumstances, to build a province which will benefit Manitobans now and in the future.

Notre loi sur l'équilibre budgétaire est la clef de voûte de ce cadre. Pendant les neuf dernières années, nous n'avons augmenté aucun des impôts principaux, nous avons consacré chaque dollar supplémentaire à nos priorités: les dépenses sur les services dans les domaines de l'éducation, de la santé et des services à la famille, et nous avons augmenté les dépenses en capital à des niveaux records.

Nous avons pu faire cela grâce à une gestion fiscale prudente et l'établissement des priorités en matière de dépenses.

[Translation]

Our balanced budget law is the keystone to this framework. For the last nine years, we have not raised any of the major taxes. We have focused every extra dollar on the spending priorities of education, of health care and family services, and we have increased capital spending to record levels. We have been able to do this through prudent fiscal management and by establishing our spending priorities.

[English]

In fact, our total spending in the key areas of health, education and family services has increased by \$990 million since we first took office. We were able to do

this and still produce the first balanced budget in this province in over 20 years. We did not have to raise major taxes to do it. Our balanced budget law, the strongest of its kind in North America, will ensure that Manitobans can continue to benefit from the fiscal stability which protects the vital programs and services that they rightly expect of our government to be able to provide them. Because of the balanced budget law, our government will have more resources to concentrate on creating jobs, protecting our health care system, allowing for economic development and diversification and maintaining a strong and relevant education system.

The people of Gladstone constituency have expressed to me, over my years serving as their representative, that they expect their government to conduct its affairs as they would conduct their families, their farms and their businesses. Government should spend within its means. Government should provide services in the most efficient, effective and economical means possible, and, just as important, government should listen to what the people of Manitoba ask for. Since 1988, we have established a clear pattern of doing just that. We have managed our finances so that the last year we delivered a balanced budget and legislation which will ensure that there is a balanced budget every year.

The reasons behind having a balanced budget, along with a long-term plan to eliminate the debt, are compelling. We are currently faced with a debt of over \$16 billion, a debt which will cost the province of Manitoba over \$1.6 billion per year in servicing costs. Our long-term plan, however, will allow us to retire this debt within the next 30 years and have even more resources to concentrate on programs, services and jobs for Manitobans.

En attendant, nous avons établi des priorités pour ce qui est de nos dépenses, qui nous ont permis d'atteindre des niveaux records d'investissement dans des actifs qui appuient la production, tels que l'infrastructure des routes, des communications, de la santé et de l'éducation, et nous avons orienté presque toutes les nouvelles dépenses vers les programmes dans les domaines prioritaires de la santé, de l'éducation et des services à la famille.

[Translation]

In the meantime, we have established spending priorities so that we have achieved record level investments in productive assets such as highways, communications, health and education infrastructure, and we have redirected almost all new program spending into the priority areas of health, education and family services.

[English]

We have developed high levels of consultation, collaboration and co-operation with Manitobans to ensure that their voices are heard, their ideas are considered, their concerns are addressed and their input is appreciated. This collaboration has brought government closer to the people it serves and has strengthened all of us. Agriculture is a core industry in Gladstone constituency. In fact, it has a vital importance to the core of the Manitoba economy as a whole. The agricultural industry and associated activities is estimated to provide one of every seven jobs in Manitoba. The importance of the agriculture sector to Manitoba is reflected in the programs and policies of our government. We have recognized that those involved in agriculture are facing increasing challenges and have implemented programs to address these challenges.

* (1550)

The recent elimination of the Crow rate has meant that Manitoba farmers must diversify their operations in order to adapt to the changing agricultural environment. To aid in the diversification effort, our government has instituted a program which will grant access to the start-up credit necessary to make a successful transition. The Manitoba Agricultural Credit Corporation will administer loan programs which will allow farmers to diversify their operation in the bison industry, the hog industry, and expand their cattle and feed operations. Further efforts to help in agriculture diversification include the Manitoba Agri-Ventures initiative, which will provide matching grants to help farm families and agriculture entrepreneurs explore new business opportunities such as alternative crops and livestock, packaging, processing and agri tourism.

This program will help Manitoba farmers through two types of projects. The first will provide matching grants up to \$5,000 for business development projects which are

related to primary agriculture diversification or secondary processes that add value to agriculture production. Funding is available to develop business plans, feasibility studies, creative marketing strategies, new production technology and value-added agriculture products. The second type will provide matching grants of up to \$10,000 for collaborative projects in technology transfer and market development.

Manitoba's farming industry has been seriously affected by the loss of the Crow rate, but our farmers have demonstrated that they are up to the task of changing the traditional focus of their farms and adapting, responding and prospering through this change. We keep telling ourselves that change is good if one approaches change with the right attitude. By diversifying their operations, farmers will open to greater profit and creating more jobs, not a small feat when, as I already mentioned, agriculture and its associated industries is responsible for about one out of every seven jobs in this province. For Gladstone constituency, which I have already mentioned, is highly based in agriculture. These programs to help farms diversify their operations will mean that they will continue to grow, to develop and to diversify into the 21st Century. There will be solid farming operations which will allow our young people to stay in our communities, to allow our children to grow up there just as we did.

Our government has facilitated the diversification and expansion of the agricultural industry in Manitoba by making Manitoba a great place for companies to do business. For instance, McCain's has recently embarked upon a major expansion of their potato processing plant in Portage la Prairie, a positive development for the residents of Gladstone constituency. Potato growers in my area greeted this announcement with excitement and pleasure. McCain's decision to expand its Manitoba operations shows the company's faith in Manitoba's ability to compete and to supply a high quality product for their operations. Our province was chosen because of its location, the high quality of raw material available, our superb workforce and because of our potato producers. We were also chosen because of the support the community and the government gave to the company. This is a strong indication of not only Manitoba's healthy business climate but of the quality of our workforce and the value companies place upon doing business in this

province. Projects such as the McCain's expansion mean jobs for Manitobans. In addition to the jobs created by a greater production at the plant, it means jobs for construction workers and others working throughout the agricultural community.

Nestle-Simplot also expanded the plant at Carberry, an \$18-million expansion. Again, this expansion means jobs. It will further develop value-added processing and export growth, meaning more agricultural sector jobs for Manitobans as well as spin-off jobs associated with increased production.

Manitoba's potato crop has increased from a value of approximately \$2.5 million in the '60s to a potential \$90 million today. The industry represents about a thousand jobs and millions of dollars of value-added exports.

Nos communautés rurales constituent l'épine dorsale de notre mode de vie au Manitoba. Leur dynamisme continu reflète bien sur l'héritage de notre province, les cultures de nos citoyens et les valeurs qui se sont développées au cours des 125 dernières années depuis que nous sommes entrés dans la Confédération.

[Translation]

Our rural communities are the backbone of Manitoba culture. Their continued vibrancy reflects well upon the heritage of our province, the cultures of our people, and the values which have developed over the last 125 years since we joined Confederation.

[English]

We have heard many members on this side of the House speak about the importance of rural development, and I share their views on this subject. I have spoken about the importance of the agricultural industry to rural Manitoba and to this province, and I cannot overstate this importance. It is safe to say that what is good for farming is good for all of Manitoba.

Being a farmer is not always an easy life. Many of us on this side of the House are from farming backgrounds and are well aware of the uncertain and sometimes unstable circumstances farmers can find themselves in. Subject to changing national market conditions and a sometimes volatile world market, as well as the forces of Mother Nature, we are well aware of the difficulties many farmers face, but farmers do not have to face these challenges alone. We, as a government, have long

recognized the importance and value of supporting the agriculture industry and have put in place many programs and initiatives to assist farmers and, by extension, the rest of the province. Our rural development initiatives serve only to strengthen our rural communities which, in turn, strengthen Manitoba.

The Rural Economic Development Initiative, REDI, is a program we have implemented and designed to encourage rural economic development and diversification. The program is intended to provide a boost to the local and provincial economy while establishing a foundation for sustained growth and further development in rural Manitoba.

The REDI program's main focus is on commercially feasible development initiatives which have the potential to provide long-term economic benefits for rural communities. Emphasis is on those projects which will improve economic opportunities in the areas of business development, including manufacturing and processing, rural infrastructure, conservation, environmental industries, tourism development, commercial water and gas projects, and export service activities.

REDI runs many different projects to achieve these goals. One of these is a Rural Entrepreneur Assistance program known as REA. Through the REA program, the province provides loan guarantees to financial institutions to provide loans to new and existing full-time small and home-based businesses in rural Manitoba.

The Grow Bonds Program is another program offered by this government to assist rural communities. We started this program because we realize that the well-being of economic life in rural Manitoba is directly related to creative and healthy local businesses. The Grow Bonds Program is another way we, as a government, can further contribute to the strength and diversity of Manitoba's rural economy.

Grow Bonds have been a tremendous success, demonstrating again the high level of initiative and creativity which is in place in rural communities. To date, the Manitoba Grow Bonds Program has helped to bring over \$7 million in new investment to communities, enabling rural business to either expand or start creating 448 new jobs.

The community works program is a relatively new initiative of this government, and one we are quite proud of. Operated under the Rural Economic Development Initiative, the Community Works Loan Program will enable communities, through their local community development corporation, the CDCs, to provide financial assistance to help existing small businesses to expand and to assist new entrepreneurs in getting started. It is anticipated that this program will create more than 3,500 jobs in rural Manitoba and will inject at least \$12.5 million into local communities.

The Community Works Loan Program is based on one simple concept: Rural residents are best suited to determine their own local economic development priorities. This program will be driven by local leadership, innovation and creativity, all of which are found in abundance in our small communities.

The Community Works Loan Program has another goal. It will give local young people the opportunity to stay in their home towns in order to launch their own careers and business opportunities. There are so many opportunities available in small communities, and the Community Works Loan Program is this government's way of supporting this reality.

In the recent throne speech this government made a commitment to establish a task force which would travel to rural communities in order to listen, consult and discuss issues of relevance to rural Manitobans. I am pleased to report to this House that the Working for Value task force was extremely successful. My colleagues the honourable member for Emerson (Mr. Penner), the honourable member for Turtle Mountain (Mr. Tweed) and the honourable member for Morris (Mr. Pitura) travelled to more than 20 rural communities across this province. They sought input from rural Manitobans about how we can increase our exports by \$1 billion over the next decade, and rural Manitobans came to the meetings to listen, to participate and to share their ideas about how we can accomplish this goal. Based on my experience at the meeting which was held in Somerset, in the constituency of Gladstone, I am certain that this goal is within our reach.

* (1600)

As I have already stated, agriculture and rural development are extremely important to the residents of Gladstone constituency. This task force combined both of these components in order to help come up with a comprehensive strategy which would help our rural communities diversify and increase their exports. While the constituents of Gladstone recognize the role that government has to play, they are equally committed to making it possible for their communities to grow and prosper into the 21st Century. My constituents recognize that infrastructure provides a backbone for economic development in a community. They understand the simple reality that more infrastructure means more economic growth.

A few months ago, the Gladstone-Austin Natural Gas Co-op Limited, casually known as GANG, was informed that its proposal to construct and operate a utility to supply natural gas service had been approved subject to a few conditions. Mr. Deputy Speaker, \$1.7 million in funding from the Canada-Manitoba infrastructure program combined with almost \$2 million in funding secured by the co-op has allowed this group to get a natural gas utility underway in my constituency. This is the culmination of a long-term effort by the co-op and by the communities themselves to develop infrastructure to provide natural gas in the R.M. of Westbourne and the R.M. of North Norfolk, including the local farms. They identified an area of need, developed a proposal and expended an incredible amount of time, energy and commitment to make it happen. This is a perfect example of our communities taking the initiative, an example of government helping Manitobans to help themselves.

By bringing natural gas to Gladstone and Austin, the co-op is providing a service to the communities, is further strengthening the communities and is opening another door to economic development.

Natural gas allows towns to become more viable sites for energy-intensive operations such as manufacturing plants. In short, our rural communities are, with the support of government, providing themselves and potential investors with options.

Something else my constituents feel strongly about is a need for this government to represent the needs and the wishes of Manitobans to the federal Liberal government.

We have and we will continue to speak out for Manitobans when we feel that actions taken by the federal Liberal government will present an unfair burden for the people of Manitoba. We will do our utmost to protect essential services.

We have protested the elimination of federal support for our agriculture industry without sufficient compensation. We have continually asked the federal Liberal government to participate in a national highways program which would greatly enhance our future as a trading province.

The constant threat to the Canadian Forces Base at Shilo at the far west side of my constituency is of great concern to me. The base provides many jobs, not just to the people in my constituency but to Manitobans throughout the area. We have in the past and will continue in the future to put forward the case to the federal government that this base not be closed. In the face of the federal government's cuts, more than \$100 million this year alone, our continued vigilance is unfortunately necessary.

Manitobans have told us what our priorities should be, and we have listened. As a result, our spending priorities will continue to be in the areas of health, education and social services. Our government has always recognized the necessity and value of consultation with Manitobans.

Mr. Neil Gaudry (St. Boniface): En français, s'il vous plaît.

[Translation]

In French, please.

Mr. Rocan: On va continuer à demander aux Manitobains comment développer des politiques et des programmes qui nous donnent l'occasion d'aider— [interjection] tu n'a pas de misère avec ça, mon ami?— dans les domaines de l'éducation, des services à la famille, et la santé and in law and order.

[Translation]

We will continue to seek the input of Manitobans concerning the development of policies and programs that enable us to support—[interjection] you are not having

difficulty with that, my friend?—the fields of education, family services, health and in law and order.

[English]

By working in partnership with Manitobans, we are continuing to provide government which is both responsible and responsive. In the upcoming year, we can look forward to many new opportunities and challenges. In light of the upcoming cuts in federal transfer payments to the province, we will continue to conduct our financial affairs wisely, to prioritize our spending and to seek increased investment and economic activity in our province. By doing so, we will be able to counter the loss of revenue imposed on us by the federal Liberal government.

Our efforts to make Manitoba a place where companies want to locate their business are working. In recent months we have witnessed more than a half a billion dollars in major investment in our province, and we will continue to aggressively market Manitoba as a valuable location to do business.

We will continue on the same track that has led to a decrease in the rate of unemployment, the diversification of our industries and a stronger network of infrastructure. We will continue to safeguard essential services such as health care. We have the highest proportion of health care spending, despite federal government cutbacks. The provision of services to Manitobans is our top priority.

We are moving to a system of regional governance of health whereby communities will have greater ownership and input into local health care decisions. This will promote the interests of each community as decisions will be based on regional needs.

I, along with my colleagues on this side of the House, look forward to the upcoming session. We will continue to pursue our primary goals of securing more jobs for Manitobans, providing a sound education system, a health care system which is protected, accessible and fair and keeping our communities safe for ourselves and our children and our grandchildren. Thank you very much, Sir.

Mr. Tim Sale (Crescentwood): Mr. Deputy Speaker, I want to join my colleagues in responding to this budget

speech. First of all, I was glad to be part of three budgets which I helped to produce during the Pawley years, including the final one on which our government was defeated but which led to the surplus of \$58 million recorded by the Provincial Auditor and by the Dominion Bond Rating Service which this government has consistently refused to acknowledge.

Fred Jackson, as our former Provincial Auditor, found it necessary to add a caveat to his auditor's opinion in the year in question and made a very clear point that the surplus was indeed \$58 million.

So we gave this government a surplus. Over their period in office, they managed to run the highest deficit in Manitoba's history, \$819 million recorded in '92-93. I am glad they have gotten back to a balance, Mr. Deputy Speaker, and I am glad to respond to this budget. I think it is important that when we talk about fiscal planning that both sides of the House be honest in regard to the numbers. I would welcome a move on the part of the Finance minister to indeed acknowledge what the Provincial Auditor and the Dominion Bond Rating Service have said for years, namely, that he started with a surplus in 1989 and is now back to a surplus rather than the wrong information which he consistently puts before Manitobans.

Mr. Deputy Speaker, yesterday in the House, the member for Pembina (Mr. Dyck) and the Speaker both expressed concern that I used the term "hell-bent," suggesting that this was inappropriate in the House. I do not want to offend their sensibility, and if indeed I offended either of them, then I would apologize. But let me note that the term "hell" is used some 56 times in the Bible, a document that I have read from time to time. I would also say that I chose the term carefully, precisely because I believe it was theologically correct to use it. Today is, as most members will know, Maundy Thursday, the evening of the Passover supper at which Jesus met with his disciples before he faced death at the hands of a politically aroused mob bent on his destruction. Why were they so angry? Well, essentially, because like the prophets before him he challenged the status quo. He spoke up for the poorest of the poor. He ate with tax collectors and with other sinners. [interjection] A member opposite asks, is this relevant? Yes, I think it is extremely relevant because it is the fundamental value set on which our society

is based. He spoke up for the poorest of the poor. He ate with tax collectors and other sinners. He spoke against the powerful.

For example, I want to just share with you some words from Isaiah, a book for which the late J. S. Woodsworth was imprisoned for printing excerpts from it and charged with sedition during the 1919 strike. The prophet said, learn to do good. Search for justice. Help the oppressed. Be just to the orphan. Plead for the widow.

* (1610)

Another prophet, Amos, said that he was speaking on behalf of Jahve, and he said about the unjust rulers of the Israelite people. Why is he speaking against them? Because they have sold the virtuous for silver, the poor one for his pair of sandals, because they trample on the heads of ordinary people and push the poor out of their path. That is essentially the message that the one who is to be crucified gave, and I make no apology for my affiliation with the views that he has and my adherence to those beliefs.

Look at the gospels of Matthew and Luke with their healing stories, and Jesus did not say, have you got any money? Come and show me the colour of your wallet and we will talk about healing. He made it very clear that people had a right to be part of the community including all the unlovely ones, the lepers, the ones who are of a different race, the ones whose skins were unclean, the women who were despised. All had a right to belong in his world.

(Mr. Mike Radcliffe, Acting Speaker, in the Chair)

So let me be very clear, Mr. Acting Speaker, I chose the term "hell-bent" because I believe health care can never again in Canada become a function of wealth or the capacity to pay. No element of health care, and certainly not our medicare system. Those who would turn back the clock and make health care dependent on income or ability to pay are not simply choosing a wrong policy direction, unsupported by any data from any developed country, they are also making a bad choice in terms of Christian understanding. If they succeed in cutting off some people from their needed health care, they are then making an evil choice. Those who persist in evil are indeed hell-bent. Hell is a state of being out of

relationship. That is how we understand hell in the faith I come from. It is not a place. It is a state of being out of relationship with God and with humans. It is a very lonely place.

Now, I am sorry if these are hard words for some on the government side of the House, because they are hard words for me too, but the actions of government in cutting food for the poorest, cutting health care for many, reducing access to Pharmacare for most, and planning to cut the wages of low income workers even further are not simply financial decisions. They are profoundly anticommunity choices. They break the social fabric of all communities, of all the communities in Manitoba, which we need desperately if we are to be a whole province, a whole people.

These are actions that break human spirits, and we cannot sit by and behave as though they are simply cold, financial decisions without recognizing that they have sad human consequences and sad consequences for our community.

Let me turn to this deceptive document's assumptions. This afternoon I asked the Minister of Finance (Mr. Stefanson) what he thought inflation might be this year. He gave a very interesting answer. He said that he thought inflation might be in the order of 1.5 to 2 percent. Now, that is very interesting, Mr. Acting Speaker, because in the document in which we are asked to put our faith as Manitobans, in his budget planning document, on page 8 of the financial review and statistics, he tells Manitobans that inflation is not going to be 1 percent, not going to be 1.4 percent as it has been for the last year-to-year period to this date; it is not going to be 1.8 percent; it is not going to be 2 percent. It is going to be .4 percent.

Well, Mr. Acting Speaker, inflation has not reached the level of .4 percent in this country since the Depression. Now, is it going to just be one year that it is down at that level? No, not according to his multiyear plan. Next year, inflation is going to rise. It is going to rise a whole tenth of 1 percent to .5 percent, again a level that has not been reached in this country since the 1930s.

So I am very interested, Mr. Acting Speaker, in the implications of this medium-term fiscal plan. The minister wisely says he is being prudent. I think it is

commendable that the government is prudent in its economic assumptions, but there is a difference between prudence and deception. Prudence would suggest that you go to the lower of the estimates, that you go in the lower half perhaps or the lower quarter of the estimates of all financial analysts. Not this minister. This minister goes a full point below that to a level that nobody expects to be the case and thereby misleads Manitobans in terms of the revenues that this economy will produce in the next year. He suggests that nominal growth next year will only be 1.8 percent. Now, that is curious, because the federal government, a government which has used very prudent financial assumptions, has overshot their targets for the last two years and will overshoot again this year, said 4 percent.

These numbers, I know, do not excite members opposite. They probably do not bother to do the calculations which are implied by a different fiscal framework, but let me tell you that if we had growth of even 3.3 percent in our economy next year, our revenues would not be 60 million or 70 million new dollars but 120 million new dollars, more than enough to offset the unwelcome and inappropriate federal cutbacks of \$106 million.

With a little compassion and sensible planning, this minister could have phased his use of the \$145-million lottery sock, his slush fund for the election, over three years instead of spending it all in one year. He could have allowed us thereby to move through the difficult years of the federal cutbacks without losing services, without penalizing elderly Manitobans, without frightening home care recipients out of their wits, without depressing workers' wages, without cutting Pharmacare, without cutting eye care.

We could have moved through those difficult years, we could have still had a surplus, and we would not have lost all those vital services.

But, no, it was not to be. The minister wants to build up his Fiscal Stabilization Fund, and why does he want to do that? Why does he want to build up his Fiscal Stabilization Fund?

An Honourable Member: We are not telling.

Mr. Sale: Of course, you are not telling because the answer is, you have to face the people three or four years from now, and you would love to have another lottery sock that you could dump into that election and say, bonanza, we can buy the next election just like we bought the last one.

It may be good election planning, but it is very poor government because, in the process, it is not simply building up hidden reserves, it is building up hidden reserves at the cost of children, children who in the city of Winnipeg lose \$65 of food allowance if they are under one year of age. It is building it up on the backs of low income people who are being asked to live on \$7 a day if they are single people. I challenge any member opposite to live on \$7 a day for food and clothing and personal needs. I would love to see you try and do that. The people that my wife works with at the intercity drop-in centre, that she staffs, are daily coming to her and saying, we just cannot do it. We are not even making it through three weeks of a month now on \$7 a day. I doubt that members opposite would make it through even a few days of a week on a monthly allowance of \$7 a day.

You could, Mr. Finance Minister, still rescue this terrible situation. You could stand up and announce to this House that you have decided not to run a surplus of \$120 million this year, that you have decided, in the window that you have for the next two weeks, not to transfer the \$145 million and instead only to transfer sufficiently to run a surplus of, say, \$10 million this year. You could announce to Manitobans that you have found ways miraculously, like the City of Winnipeg did, to save our services, to save access to all those vital services. You could still do that, Mr. Finance Minister. Manitobans would applaud, and we would applaud your conversion. I hope that you will do it, but I am afraid I do not think you will.

* (1620)

Let me move on to some of the larger issues that arise from this budget, and let me start by quoting from a letter I received today from Mrs. Gaunt, who lives on Purdue Bay, the constituency of the honourable member for St. Norbert (Mr. Laurendeau).

On Sunday, March 17, she writes, three days after I came out of hospital, Central Health Services were

supposed to send us a home care attendant from 7:30 a.m. to 4 p.m. I had a stroke. My husband has multiple sclerosis. The person they sent did not know how to transfer someone. She did not know how to attend to my husband's personal needs. She was unable to get him out of bed. She said she was a maid. She usually cleaned houses.

This lady was very upset because she was unable to help my husband. I was very upset because I was unable to help my husband and she could not. My husband was very upset, and stress causes multiple sclerosis to accelerate. She should never have been sent to us.

I am complaining to you personally—and this letter went to the Honourable James McCrae, Minister of Health—so that you will know what is happening. She goes on. She says, I would like to add that I have used Central Health Services and We Care on a number of previous occasions, not through home care but privately. On a number of occasions, the people they sent were not satisfactory. On a number of occasions, they were unable to send anyone at all, so how is this going to improve home care services?

Mr. Acting Speaker, these are the companies, the private sector, efficient, responsive, responsible companies to which you are privatizing this system. They have been unable, over and over again, according to complaints we have received, to supply emergency backup, to supply weekend service, to supply appropriate staff when they are needed.

Mrs. Barbara Ames, a person who is confined to an electric wheelchair, has pointed out that on a number of occasions she has not had anyone come on the weekend when Central Health is supposed to be providing secure backup.

Mr. Acting Speaker, if they cannot do it now before they are responsible for the whole system, what is it going to be like when they have the monopoly for service in a quadrant of the city? I suggest to you that this is an ill-conceived plan based on no data that they are able to supply better services and resulting in the destruction of jobs and the destruction of family incomes of those who provide this dedicated and committed service today.

Mr. Acting Speaker, I want to bring to the House's attention a new book which has been put together by

seniors across this country called Life Before Medicare. It is a reflection by seniors from coast to coast about what conditions were like before medicare, when we had an American-style system in this country.

I want to put into the record a story from Mrs. Melnyk in Winnipeg. The story I am going to tell happened in October 1943. Our daughter was badly burned by a bonfire. She was rushed to hospital by a car we had to stop in the street. They would not admit her until we paid \$35—just like in America today. We did not have the money. We had to go to the old civic office and get a paper saying we would pay later. She was in hospital for 14 months. We had a wonderful doctor who saved her. He lowered his fees to half. It took us years to pay off the hospital and the doctor bills.

Mr. Acting Speaker, I challenge members opposite to buy this book and put it in the schools in their constituencies and in the libraries so that everyone will have the memory that only our senior citizens have today of life before medicare.

I want to share another story and that is from a woman in Waskada. A farm family near Wakaw, Saskatchewan had a very sick child. During the night, the mother brought this child to the Saskatoon hospital. The next day, while I was on duty, this mother came in to pay her deceased child's hospital bill. She reached into her dress where she had the money they got from, she said, the sale of their cows. After paying the bill, she did not have enough money to pay the funeral home for a casket and shipping charges to take the body of her deceased baby home. This case was explained to the Canadian National Railway's agent who advised that if she wrapped the body in a blanket and kept the covers closed she could take her baby's body home in her arms.

This is the kind of country that existed before medicare. Unless the policies of this government and the federal government are reversed, these stories will be told again by our children. I do not want this to happen. I am proud to have been part of a government's staff—I was a civil servant, not a political appointee. I was a civil servant who helped to fight for medicare, who helped to lobby across western Canada, not eastern Canada, for medicare when the Mulroney government began the process of cuts, when members opposite, some of whom are still sitting here, refused to believe that the federal

cuts were going to have any effect on the medicare system. They told us we could not do our math. They told us we did not understand federal transfers, and now they stand 10 years later, 11 years later in fact, and tell this House that it is the draconian federal transfer cuts that are forcing them to cut medicare services to Manitobans. For 10 years they did not get the message. Now they are converted. It is all the feds' fault. We tried to tell them in 1985 this was the inevitable result of the regime put in place by Mr. Mulroney's government. They refused to heed the warning. They are now deathbed converts, and we are the victims of their unwillingness to hear the pain at the time.

Mr. Acting Speaker, I want to speak about poverty rates in Manitoba and Canada. For family heads the poverty rate has increased from 20 percent in 1980 to 45 percent in 1994. This is for families headed by people under 25. We are developing a generation of people who are poorer at twice and even more the rate than they were poor before 1980. Over 14 years the poverty rate of young families has more than doubled in this country.

For unattached persons it has increased by 50 percent in 14 years, and the policies of this government will make that rate worse. Members opposite frequently suggest that the poverty lines in this country are too high. Let me make the point that the distance between those who are poor and the poverty line is not merely a few hundred dollars, as though lowering the poverty line would somehow quickly eliminate a great number of those who are now shown to be poor. Childless couples under 65, for example, those who are poor in that group live \$5,999 below the poverty line. Single parent mothers with children under 18 live \$8,535 below the poverty line. Now, no adjustment, no statistical adjustment, no minor change in the poverty line is going to overcome a gap such as that. Mr. Acting Speaker, such an unlikely source as The Globe and Mail's Report on Business makes the case that, since 1980, working Canadians have endured, what The Globe and Mail calls its misery index, at an unsustainably high level for all those years. And I quote from the Report on Business on April 1996.

The economic numbers that most directly affect ordinary people have remained stubbornly awful since 1989 despite the much vaunted economic recovery. To compile our measure of everyday horrors we took the

annual unemployment rate, added the real interest rates and then subtracted any real wage gains, or as was more often the case, added the misery of the decline in real wages. Would that it were still 1980, says The Globe and Mail.

Mr. Acting Speaker, even in the United States where the religious right has claimed a big chunk of the Republican Party, Republican right wingers are beginning to realize that the social costs and social divisions, the social unrest, the crime, the violence, the hopelessness that has been engendered by monetarism in that country may well exceed any benefits that that policy may have been thought to deliver. For example, the Report on Business's editor writes in April 1996: Republican Governor William Weld of Massachusetts similarly finds political gain to be had from citing the nagging fear among U.S. workers prompted by corporate downsizing.

He warns the Fortune 500, those big Fortune 500 companies and I quote, you still have a responsibility for the good of the community in which you reside.

The editor of the magazine goes on to say: Confronted by this latest paradigm shift, corporate leaders can continue to insist that globalization, technological displacement of workers, and relentless re-engineering in pursuit of competitive advantage are forces of nature whose fury they cannot tame, or they can get ahead of the curve by making job retention, worker retraining and commitment to charitable and social institutions an integral part of corporate culture.

(Mr. Marcel Laurendeau, Deputy Speaker, in the Chair)

The editor ends his article with a telling warning, a reminder he says, and this is the editor of the Report on Business, Mr. Deputy Speaker, a reminder he tells us: Capitalism exists by popular consent and the mindless repetition of efficiency mantras and paeans to enhanced shareholder value will not prevail should the public decide that the economic system is no longer operating in its interest.

* (1630)

Mr. Deputy Speaker, the Economist magazine has finally begun to report what has been part of the

economic literature for about eight or nine years now but not as well known as it should be. That, for example, there is an emergence of a growing number of economists who are finding reasons to reject altogether the presumption that there is always a trade-off between equality and economic efficiency. The Economist cites a study by Torsten Persson and Guido Tabellini in 1994, who argue that inequality may even be harmful to growth. Their study of 56 countries finds a strong negative relationship between income inequality and growth in GDP per head. In less equal societies, they suggest, concerns about social and political conflict are more likely to lead to government policies that cramp growth. There are many such studies, and I hope that the minister might begin to take them into account in framing his macroeconomic approach to budgeting.

Mr. Deputy Speaker, the Finance minister and the Premier (Mr. Filmon) attended the Davos summit, economic forum I think it is called. Companies pay \$25,000 per head to register at that summit. It is nice to know that our ministers keep such exclusive company. When they got there, they got a little think piece from the two founders of the summit, Klaus Schwab and Claude Smadja. They write that the mood has changed, that economic globalization has entered a critical phase. A mounting backlash against its effects especially in the industrial democracies is threatening to disrupt economic activity and social stability. The mood in these democracies is one of helplessness and anxiety. This can easily turn into revolt, they write, as December's unrest in France showed.

Four basic elements need to be kept in mind, and I will only read one of them. The lightning speed at which capital moves across borders, the acceleration of technological change, the evolution of marketing and managing increase the pressure for structural and conceptual readjustments to a breaking point. This is multiplying the human and social costs of the globalization process to a level that tests the social fabric of the democracies in an unprecedented way. Understand that this is not a left-wing commentator, Mr. Deputy Speaker. This is a right-wing commentator recognizing that the policies they have promoted are straining democracies to the breaking point, straining people's capacity to survive to the breaking point.

I want to turn now to the question of future plans and views. Mr. Deputy Speaker, we on this side of the House often receive taunts from the benches opposite that we are the party without new thoughts. Indeed, the thoughts that we have offered over the years have been consistently based on principles of justice, equality, fairness, efficiency, stewardship, the protection of the environment, safe workplaces and health. Those are timeless values. They do not go out of style. The members opposite, indeed, are those whose ideas are old and tired. What masquerades for a new idea, the cutting of medicare and making it dependent on income, is the way we developed and delivered health care in this country until the dawn of medicare. So it is not a new idea. It is a very old idea to go back to wealth-based health care.

When we talk about the unprecedented assault on wages, let us remember that it is the same neo-Conservative spokespeople who consistently called until this year for high value-added jobs. They wanted to have an economy with high wages because they kept telling us that would produce a sound and stable economy and we agreed. In the last year, Mr. Deputy Speaker, this government has launched into an unprecedented assault on the wages of even modestly paid people, in fact, low paid people. They are going to drive the wages of everybody they can get their hands on down 30 or 40 percent. They are suggesting that teachers should spend four years in university and start at \$22,000 a year. Well, members opposite who have not spent any years in this House, are they willing to start at \$22,000 a year? Would the members sitting there in the backbenches be willing to sit here for \$22,000 a year? I would be very glad to know, if that was their only income, that they would be glad to do that. That is what they are asking teachers to do.

They are asking home care workers, home care attendants to move from \$10 an hour, which if they worked a full year—and they do not—would take them back to something like a wage of \$12,000 a year, hardly a wage on which we can live.

The arrogance and broken promises of this government have been catalogued by my Leader (Mr. Doer) and catalogued by others. We would maintain spending at \$4.465 billion—wrong, they are going to drop it by \$170 million. We would protect Pharmacare at the deductibles

of \$137 and \$234—wrong, we are going to let it go to \$1,000 or more for many Manitobans. We will protect home care—wrong, we are going to destroy it. We will protect vision care—a lie, we are not going to protect vision care, it is now all going to be had in the private sector. The arrogance and broken promises of this government will not stand them in good stead, Mr. Deputy Speaker. We will oppose their policies, their programs and this budget.

Point of Order

Hon. Jack Reimer (Minister of Urban Affairs): Yes, on a point of order, Mr. Deputy Speaker. I believe I clearly heard the member for Crescentwood (Mr. Sale) indicate that what had been presented was a lie. I believe that if the Deputy Speaker peruses Beauchesne, that word is unacceptable.

Mr. Deputy Speaker: The honourable member for Crescentwood, on the same point of order.

Mr. Sale: On the same point of order, Mr. Deputy Speaker, I believe I referred to the election campaign, and I think that it is not unparliamentary to refer to an event outside this House or the actions of a group who at that point were not the party of government at that point. They were seeking government, so I believe that it is not inappropriate to tell the truth about something which was part of an election campaign.

Mr. Deputy Speaker: I thank the honourable members for that. Just give me one minute.

I would like to thank the honourable members for their advice. I am going to take it under advisement and get back to the House with that.

Mr. Sale: If any of the members opposite are offended, I would be glad to withdraw the word in question to save the Deputy Speaker the time in reflecting further.

Mr. Deputy Speaker: We thank the honourable member for retracting that. That will close the matter.

* * *

Mr. Deputy Speaker: Is the House ready for the question?

Hon. Linda McIntosh (Minister of Education and Training): Mr. Deputy Speaker, I thought that you were still pondering points of order, and I was a little slow to my feet, but I am very glad for the opportunity to speak today on the budget that has been just put before the House by the Minister of Finance.

I feel that the Minister of Finance is not only extremely knowledgeable about matters of economy, of how money is spent, but also is very wise in terms of having foresight and concern for the future. Long-term solutions form part of his thinking, and it is a thinking that I support and the members on this side support as well. We do have to begin to think, Mr. Deputy Speaker, in terms of long-term solutions. It is critically important that we do that.

I have been listening to the members opposite the last few days, and it saddens me that for whatever reason they indicate lack of support for this budget. It may be for some that they do not see the benefit in long-term planning. It may be for some that they really truly do not understand the consequences of overspending and overborrowing. It may be simply for others that they feel it is important as opposition to be constantly negative instead of positive because they see that as their role. Unfortunately, it may be true for a few that what they are really looking for is the six-word headline or the thirty-second clip, and that is the most saddening feature of all in terms of comments that come from the other side.

* (1640)

I was just intrigued listening to the speaker immediately before me, the NDP member for Crescentwood (Mr. Sale), who began his sermon, I beg your pardon, began his speech, which really was like a sermon. I apologize for the slip. I did not mean to say sermon, although the speech was laced initially, in the beginning, with quotes that sounded like they came from a sermon, extensive quotes from the Bible, and it was very refreshing to hear a member of the official opposition speak on the Bible and state that the Bible was the basis for the formation of our society because I so often hear in their comments the opposite. I so often hear in their comments that we should not be a religious-based society, so it was refreshing to hear a member from the NDP actually say that our society was based upon the Bible and the words and thinking of Jesus Christ. It is also kind of ironic, Mr. Deputy Speaker, that that same NDP member for Crescentwood who believes that our

society is based upon the Bible does everything in his power to prevent support for schools such as St. Ignatius in his own constituency which seeks to reflect the Bible's influence in its everyday teaching, something that it is not able to do in the public system.

But that inconsistency aside, it is a fairly typical inconsistency that we see on a repeated basis. That aside, I listened to his speech. I listened to some of the other speeches. I must confess that there were a couple of speeches that I did not listen to, either shut my ears or shut my mind because my frustration level was tending to get a little high with some of the verbiage that was thrown our way.

I do believe that we have to think beyond immediate satisfactions. One of the problems that we face as a government, and it is a true problem and it cannot be ignored, is the debt that was left us by the NDP from the Pawley administration. Whenever I raise that, the members opposite roll their eyes and shrug their shoulders and pooh-pooh our concern, our obsession, they say, with the debt. I heard that earlier today—you people are obsessed with paying down the debt.

Indeed, Mr. Deputy Speaker, we are, because only by being firm in our commitment can we undo the lasting damage that was inflicted upon us by that government. I think it is critically important that the people of Manitoba never forget, never forget, what they did to this province.

I see three new members sitting on the other side who were not part of the Pawley administration and maybe do not realize the extent of the damage, but when I say that every day of the week, every week of the year, we spend just under \$2 million just in interest on that burden of debt, and I have said that a couple of times recently, and they laugh. They laugh.

That amount of money, Mr. Deputy Speaker, they discount as inconsequential and of no substance and of no significance. Yet when you take that amount times seven, just under \$2 million times seven, around \$14 million, \$15 million, which is one week's interest on the debt that they left us, that being the same amount that came out of the public education system this year, they then say that is a significant, meaningful, substantial amount of money.

So how can seven days' interest be significant and one day's interest not? They do not see the connection. They do not see that if they had not left us that legacy of debt, we could have kept that 2 percent in the Education budget easily and added another 51 weeks on top of it without making a single bit of difference to our budget, but they do not see that. They do not see that \$650 million in interest on the debt, which is what we have to pay because of them—they do not see that that money could be used for hospitals, could be used for education, could be used for all of those things they say we do not care about, which we do care about. They do not see the connection, and that scares—pardon me, I have heard it is all right to say “hell” in this Chamber. The member for Crescentwood (Mr. Sale) got permission to say “hell.” That scares the hell out of me, Mr. Deputy Speaker, and I know that is all right to say because the member for Crescentwood made it perfectly clear it was all right to say it, and if I have to go through and define it the way he did, I will do it to get the same clearance he did.

But, Mr. Deputy Speaker, when I think of my children and I think of the children of all of my colleagues in the House and the children of my colleagues opposite for whom I care and the children on the street who can in 28 and 29 years live in a debt-free Manitoba where \$650 million could be used to give them all the things that they need or be left in their pockets for them to use as they see fit, I know that is the future I want for them.

The members opposite, if you total up all the things they would spend the money on, would see our children and our grandchildren mortgage their dreams and live deeper and deeper and deeper and deeper and deeper in debt. Your method, my NDP friends across the way, does not work. It has been tried in Ontario. When the last Progressive Conservative government in Ontario left a surplus in Ontario of billions of dollars—[interjection] You did not leave a surplus. You left creative bookkeeping that was no more a surplus than we would fly to the moon to the point that that budget got defeated by one of your own members because he could see the deceit in it. He could see that a budget that leaves out the amount of things that you left out so that you could pretend there was a surplus was a deceitful budget. That is why he voted against it. It is why your government fell. It is why your government went down to defeat, because of a budget that was not reflective of the dollars and the way they were spent.

We got into office and made that budget transparent and put back in the things you left out to show the people what you had really done. You got defeated on that budget, but the last budget for a Progressive Conservative government in Ontario was a surplus. Then you had three years of Liberal who tripled the amount of taxation and debt, and then you had Bob Rae, and now you have a debt in Ontario and a deficit and financial conditions that are so extremely severe that, if you talk to the people who make the real decisions about Canada, those international money lenders, the people who float the bonds, all of those people who decide our credit rating, you know what your kind did to our neighbour.

*(1650)

Your philosophy of socialism, your ideology, your compulsive philosophical bent has been tried in countries all around this world and has been shown that it does not work. It does not work in Sweden. It did not work in Russia. It does not work in any place it has been tried. In some places it has been tried for generations, and the net result of that you can go and see. There is evidence, tangible evidence.

All across this country and all across North America and all around the world, governments are trying to move away from your philosophy to become fiscally prudent, because they know that a government that has to spend its fourth biggest expenditure on the debt is hamstrung, is hamstrung and cannot do for the people what it needs to do for the people. Then you add to that—that is problem No. 1. You sit over there, the other side of the House, and say be accountable, be accountable, take responsibility. I take responsibility as a member of this government for trying to make decisions to deal with the legacy you left us. You take responsibility for the legacy you left us. You refuse to do it. You absolutely refuse to accept accountability and responsibility for the legacy which we now deal with, with full accountability. We stand up and say we are making this decision and this decision. We do not have the \$15 million we would like to put in the public school system because we need to take that \$15 million and spend it on seven days worth of interest on the debt that you left us.

The next thing I tell you is our second problem we face on this side of the House. The second problem with which our Finance minister has dealt so wisely and so

well is the transfer cuts from Ottawa. Now groan. Will you all groan, please, like you do every time it is mentioned. Groan, go ahead, feel free. Every time we say federal transfer cuts you groan. Why? Because you discount them. One of you said there earlier today, one of you in the benches opposite, said oh the transfer payments, the transfer payments, who cares about the transfer payments. Well, obviously, it is not you. It is obviously not you because you do not have to care because you do not have to govern. [interjection]

Mr. Deputy Speaker: Order, please. I am having a hard time hearing the speech right now, and if there are some members who would like to carry on a conversation, I would appreciate you did it in the loge. I would also ask the minister to put her comments through the Chair. It would make it much more appropriate.

Mrs. McIntosh: Mr. Deputy Speaker, as I was indicating, members opposite had said earlier today that who cares about the federal transfer cuts. Let me tell you what they mean to this province.

Point of Order

Mr. Doug Martindale (Burrows): Mr. Deputy Speaker, on a point of order. I have been in the Chamber or in the phone room all afternoon and no one on this side made light of the transfer payments from Ottawa, contrary to what the minister is trying to put on the record.

Mr. Deputy Speaker: Order, please. The honourable member does not have a point of order. It is a dispute over the facts.

* * *

Mrs. McIntosh: Mr. Deputy Speaker, the honourable member for Burrows has correctly indicated that nothing is on the record to say that, and it will always be his word against mine. So there is nothing that can be proved or disproved, just like a lot of other things that happen here. So I accept that I cannot prove that and I am not even going to try.

I will say that the impact of the transfer cuts can be explained this way. We know that this year it is \$116 million. We know that next year it is \$220 million. Let

me tell you what \$220 million means to our budget. Two hundred and twenty million dollars next year, if applied all to Education, which praise God it will not be, but if applied all to Education, Mr. Deputy Speaker, would close down the University of Manitoba and still find me seeking \$20 million from someplace else in my department. That is the size of the cut. If applied all to Health, it would see Mr. McCrae having to close down five community hospitals in Winnipeg. That is the magnitude of the cut. Obviously, it is not going to be applied all to Health or all to Education.

We could deal with it in many ways. We could close down the University of Manitoba. We could close down five community hospitals, or we could go to the people. We could say, we need to find \$200 million, so we could go to the people and say, people of Manitoba, you one million people, please give us \$220 million. We will take two hundred and some odd dollars from every man, woman and child in Manitoba, but, of course, we really cannot do that because some of those people are babies. Some of those people are disabled. Some of those people are infirm. Some of those people are very poor and on fixed income, so we cannot take two hundred and some odd dollars from every man, woman and child in Manitoba. We can only take it from a certain number of people, so we will take it from a smaller number of people, and we will take a bigger amount from each of them. Let us go take \$2,000 from a smaller number of people in the income bracket of schoolteachers and all of those people in Manitoba who are in that income bracket.

Mr. Deputy Speaker, I tell you that the people of Manitoba made it crystal clear, abundantly clear, that the one thing they do not want us to do is to raise taxes. They have made that absolutely clear. They have made it absolutely clear that they want a balanced budget, that they need us to cut expenditures. When our revenues are decreasing by the extent that they are from Ottawa and when we have a burden of debt that was left to us by the previous administration, the only way that we can control all of this is to ensure that we bring in balanced budgets that will keep our credit rating good, so that our interest rates stay down, so that we do not pay increasingly more and more and more on the debt and pay that debt down in a 30-year period, one year of which is already gone.

If we can successfully contain our spending patterns and do that, we will end up, ultimately, with hundreds of

millions of dollars more available to the government to spend as we think we could for the people of Manitoba or to leave in the pockets of Manitobans, so that they will be able to afford those things important to them.

The philosophy of the people over there is the philosophy that all governments had, and I say all governments, for the last 20 years of overborrowing and overspending—immediate satisfaction. Satisfy the immediate craving; to hell with the future. I use “hell” advisedly again, and I will prove my reason for being able to use it, as did the member for Crescentwood (Mr. Sale). [interjection] No, “hell” is the word. “Hell” is the word, just as it was for him. “Hell” is the word that is appropriate here, because, Sir, I submit, Mr. Deputy Speaker, that when they create the kind of world they would create by their prolific spending, what they create ultimately is a world in which an ever-increasing amount of money collected from the taxpayer goes to debt, and less and less and less is left for the poor. Less and less and less is left for those in need, and we end up with a hell on earth.

That is what happens where Socialist regimes have taken hold and been allowed to pursue their ideological bent to the ultimate conclusion, and you can look, proof exists all around the world. Proof exists. I say to you, Mr. Deputy Speaker, that in terms of education, we have kept in this budget funding for colleges at last year’s level. We have kept universities only at a 2 percent reduction in spite of the massive increases in post-secondary transfer cuts. We have put in a learning tax credit for students, that even if tuition fees were to go up 10 percent, it would end up no difference to students because they get 10 percent back. We have put in place, Mr. Deputy Speaker, the initiation to soon be announcing the establishment of a council on post-secondary education that will help us implement—

An Honourable Member: That is a broken record.

Mrs. McIntosh: I heard the member opposite talk about a broken record, Mr. Deputy Speaker. I am telling you I will be a broken record on what they left us every time I get up to speak because the people must not forget why we are in the situation we are in. They must never forget why we are in the situation we are in, and I will make sure they remember. When they stand up, as they do opposite so frequently, and say, well, you have got \$120

million, spend it here, spend it there, spend it here, spend it there. They have spent that money so many times that it is up around \$650 million. They have spent that money three, four times over already. It is like when we had a year when the federal government stood up and put a front-page headline in the front page of the paper saying, good news everybody, good news—Manitoba is going to get \$180 million. Good news. We predict they are going to get \$180 million.

* (1700)

(Madam Speaker in the Chair)

The NDP and the Liberals in the House here stood up and said, oh, you have got \$180 million coming. Spend it here. Spend it there. Spend it here—if we were government we would have it all spent today on this important thing. Our Minister of Finance (Mr. Stefanson) stood up and said wait till you see the colour of the money, fellows. Wait till you get the money in your hands before you spend it, and you know what, we did not get the money. We got a hot front-page headline that said \$180 million coming to Manitoba. The NDP and the Liberals spent it a dozen times over in their imaginations and would have done it in reality if they had been in government, and the money never came. That is how they govern. That is how they governed. The member for Crescentwood (Mr. Sale) is mimicking me with his mouth open and his hands flailing, and a good Christian man that he is, standing there being as tactful and diplomatic and caring and kind and compassionate as he always is with his sarcasm and his rude gestures. He reveals himself for the kind of Christian that he really is.

You know, Madam Speaker, I find the inconsistency of people on that side, who squandered our money and then blame us for not having any, amazing. They squandered my daughter's money. They squandered my son's money. They squandered the money of the grandchildren I hope some day to have. They squandered it. We are paying today for some of the foolish decisions they made. I remember the member for Lakeside (Mr. Enns) standing up with his little matchbook and saying, Madam Speaker, this little matchbook is all that is left of a \$52-million dream-a-scheme that the NDP brought in. This little matchbook is a \$52-million matchbook from the members opposite who squandered our money, our

children's money and our grandchildren's money. We will not squander our children's money. We will not mortgage their dreams. We do not think that a household that has all its credit cards out to the max, that has the bill collector at the door saying, excuse me, your credit is cut off because you have put all your credit cards—it is like that. I know it is maybe too simple for them to understand, but it is like a household. Picture a household where the parents in the household go out and get credit cards, run them all up to the limit and then find that their pay cheque can only cover the monthly payments on the credit card with interest charges clicking along. They have to pay and pay and pay, and so they start borrowing from MasterCard to pay Visa, and then all of a sudden they find one day they do not have enough money for groceries, for groceries they do not have enough money. People find themselves in that situation. Those are the households that run themselves like NDP governments, and we usually get financial counselling for them to help them.

When the people here got help, they put us in and said give us a balanced budget, please. Give us a balanced budget, please. We had years, as the member for Crescentwood (Mr. Sale) knows, when we were anticipating—one year under Mr. Mulroney—we were expecting \$138 million I believe it was, and he grabbed it back. He clawed it back. He put us back to the drawing board. We yelled and screamed at him just like we are yelling and screaming at Chretien. Do not think this is ideologically based. Now we see the federal government having to deal with the consequences of 20 years of over borrowing and overspending at the federal level. We disagree with how they are proportioning their money. We disagree with their priorities, but we recognize their need to get the financial house in order. We would prefer to see them make health and education a priority rather than other issues a priority, but we recognize and understand their absolute need to get their financial House in order.

While we quarrel with their priorities, we do not quarrel with their premise. Whenever you have things happen—[interjection] The member for Crescentwood's quoting an example from his seat. He is really quite agitated and it is not his usual calm demeanour, but I understand he does not like to hear these things because he knows he is so perfect, or at least in his mind knows he is perfect, and in his mind only, I might add.

Madam Speaker, when we had \$138 million clawed back from us by Mr. Mulroney and had to go back to the books and start again, that does things to our own financing and he knows that. He knows that. He conveniently remembers certain aspects of his Economics 101 course and forgets others, you know, but he does know the truth of this, but ideologically they are committed to a spend, spend, spend mentality.

I am telling them through you that you cannot spend your way out of debt and you cannot borrow your way into prosperity. You cannot build independence by fostering dependence and you cannot strengthen the weak by weakening the strong.

An Honourable Member: Abe Lincoln said that.

Mrs. McIntosh: I know it is a good quote. I was trying to think of who it was. Abe Lincoln said that. I know that the members opposite do not like to hear those things. They have become truisms. They have been quoted a lot and they have become truisms because they are true and they are worthy of being quoted a lot. But the members opposite believe that the state should run everything. The state should take the people's money and some on that side are so ideologically committed that they believe the state should take the people's money and then run the people's lives for them.

We do not believe that. We have some faith in the people. We believe if you leave the money in their pockets they can probably make wise decisions for themselves. We do not feel the need to go in at the date of birth and say, okay, you are going to go here and learn to be this kind of person. You are going to come to school and be taught this kind of ideology. We are going to look after you and protect you from life so that you do not live, so that you have no agony, no ecstasy. You just go along like a straight line on one of those machines beside a heart patient, a flat line on a just deceased patient. That is how you would have Manitobans live. That is not life.

The member for Burrows (Mr. Martindale) says, this is ridiculous, but I listened to his speech. Talk about ridiculous. You should have heard his speech, Madam Speaker. Ridiculous is in the eye of the beholder. I think he is ridiculous. He thinks I am ridiculous. That is why we have differing sides of the House. The differing sides of the House, I might note, exactly the same space as two

men with their swords drawn extended towards each other. That is the distance between the House. The member for Burrows, who has no concept of how you gather money in order to have money to do things good for people, means to be compassionate—I think his heart is in the right place—but in his naiveté thinks that socialism is going to help people, and he is wrong. It has been proven all over the world. [interjection]

Madam Speaker, I do not appreciate the comments from the other side, like, you are going to kick them while they are down and all of those things. [interjection] Pardon me?

An Honourable Member: I said, particularly including yourself.

Mrs. McIntosh: Oh, really. Thank you for the compliment, Madame. Thank you for the compliment. Yes, if facial expressions could be recorded, she could be really in a lot of trouble.

Madam Speaker, I guess what I am trying to say is that we did not run on this side of the House because we hate people. They are going around to the whole province saying, they ran to get elected because they hate people. What nonsense. We care. We care very, very deeply, and do not ever for a minute try to tell people we do not.

Madam Speaker: Order, please. The honourable minister's time has expired.

Mr. Daryl Reid (Transcona): Madam Speaker, it is my pleasure to rise to add my comments on, I believe this is, what, our sixth budget since we were first elected—sixth or seventh budget. I cannot remember anymore. It seems to be a bit of repetition, one bad budget after another to stand up and comment on.

Madam Speaker, I listened to the government here on many occasions say that members on this side of the House do not have any good ideas and that—

*(1710)

An Honourable Member: It is true.

Mr. Reid: Well, I have often said that it has been rare that the Liberal Party has been excluded from those

comments, but I wanted to start off, Madam Speaker, talking about an issue that my colleague the MLA for Radisson (Ms. Cerilli) has raised in the House during her member's statement here today and that the Minister of Natural Resources (Mr. Driedger) started off the day sitting with respect to the ministerial statement regarding flooding or the potential for flooding this year. I know living in the community of Transcona all of my life and having witnessed many a flood and flooded community and community homes, the basements, the damage to the furniture, the disruption to the lives of the families, it is a serious problem not only in the community of Transcona, south Transcona, but in other communities within our province as well. But it has never been more demonstrated, the extent of the damage that can occur as a result of flooding, as happened during the summer of 1993 and for which we are fearful that we may have a repeat this coming spring as soon as the thaw starts.

Well, last year was another example, and there was flooding last year. It was severe but not quite to the extent that it had been in 1993, and I can tell you, if you would have come out to the homes in south Transcona in 1993, you could not get to your homes unless you had hip waders on. [interjection] Well, there was raw sewage. Did you have raw sewage floating in your community?

An Honourable Member: Yes, I did.

Mr. Reid: You did? Okay, you got that. All right. Well, then you have got a problem. We have all got a problem here, but I am going to present to you here in a moment what I think will be an opportunity for a solution to the problem at least in one of the major flood areas that we have with a residential community involved.

An Honourable Member: I would be one to listen.

Mr. Reid: Well, I am glad the Minister of Labour says he will listen. That will be an interesting departure from his past times in this House here when I have had the opportunity to speak.

We have had situations with flooding in past years relating to the fact that a moment ago when we talked about flooding in south Transcona—we had seen an announcement that was in the media just a week ago or within the last week relating to the fact that the yard, the intermodal terminal for CN Rail, may be in the position to be relocated within the city of Winnipeg here. It is my understanding that the yards that would be most

convenient, according to CN's comments that they have made through the media, would be in the north Transcona yards and shop area. There is much land in the yards that is currently utilized by CN plus there is adjacent land which may or may not still be owned by CN that is now sitting vacant—it is just prairie grass growing in that area—that could also be utilized for that intermodal terminal.

Now, if the decision is made—and there is a study being undertaken by Western Economic Diversification to look at the relocation of the intermodal terminal from Kenaston Boulevard area into another location. If that study is to show economically that there is an opportunity to relocate to another area to minimize the impact of having to build an underpass or an overpass in the Kenaston area, then perhaps we can take the infrastructure money that was targeted to build that underpass and relocate that money into the development of the intermodal terminal at the Transcona yard area, and at the same time we know because there is going to be—[interjection] Well, we are not sure of that yet. One of the options is for the airport as one of the locations, but from my understanding, CN is not really in favour of that, because they say—not my words—that little of their traffic is generated in conjunction with the airport, therefore it would be of no real large economic advantage for them to relocate to that area; regardless, WINNPORT aside, that is their comments.

Now, we know that if there is going to be a relocation of the intermodal terminal to, hypothetically, the Transcona area, that there is going to be an increase in truck traffic that is going to result, become part of that changeover, and we know there is going to have to be some work done on provincial trunk highway 15, the portion I know that is within the boundaries of the city of Winnipeg resulting from Plessis Road to Ravenhurst, where the Minister of Highways' (Mr. Findlay) department is taking place, where he is having some construction done on the grade level interchange of the Perimeter Highway and provincial trunk highway 15.

So if we can work in partnership with the City of Winnipeg to upgrade that roadway, hypothetically for the relocation of that yard, and you are going to do some work on the roadbed, it makes sense that you are going to do some sewer and storm water runoff work at the same time. You are going to have to do it for the intermodal

terminal anyway, and you are going to have to find a way to drain that water off, so it would make sense that you would tie that project into the flood relief storm sewer drainoff program for the community of south Transcona at the same time.

So what I am suggesting here is that you can take that money, that developed money you were going to put into the Kenaston underpass, and relocate that money into the intermodal terminal in the Transcona yard area, and at the same time perhaps some money can come from the minister's department for highway upgrading in conjunction or partnership with the City of Winnipeg which is going to be involved in this decision as well—part of it is city property there—and also CN Rail which I believe had said in the past that they were going to require some \$7 million on the Kenaston area as their contribution to that underpass or upgrading project, take that \$30 million and shift it over into that Transcona area, and you will have proper storm water or a spring runoff drainage system from the intermodal yards, and you take it from the south Transcona community at the same time, and then you solve two problems.

An Honourable Member: And where would it drain to?

Mr. Reid: That is something that has to be determined. I know there have been engineering studies that have taken place saying that it can go to the floodway, and there are others that say you have to put a berm around the community, or a dike. There are others saying you have to increase the flow to the Red River which is a longer distance away, but I believe that the route is some mile and a half, about two miles between the hypothetical intermodal terminal area in the north Transcona CN yards and then the south Transcona community, so the distance is about two miles.

Now, I do not know what the cost of sewer construction is. I am not an expert on that. [interjection] Well, the minister says the slopes are in the wrong direction. If that was the case, then we would not have built the storm sewer system that we have currently in use in Transcona that runs the full length of Kildare Avenue, from Plessis Road to the floodway. If the minister says that the engineering is impossible, that sewer would not be there and functioning today. [interjection] Well, we did it in Transcona before.

That program, that sewer system, is in place, and it is functioning very well now. There is the odd complaint about flooded basements when we have once in a hundred year rains, and that is bound to occur. I know you cannot plan for every eventuality, but I can tell you that by far the majority of the storms that we have are well taken care of by the current sewer system that is there now.

So I am giving you some positive suggestions on how we could make improvements. We can take that \$30 million that was going to be allocated to the Kenaston underpass and relocate that money into a product that will serve both the intermodal yards that can be there and can service the drainage problem that is in the south Transcona community at the same time.

So I throw that out for members opposite, for the members of cabinet, to let them think about that and perhaps take that back to their planning departments and take a look at some way that we can resolve some of the problems that are currently facing us, and then we can move on to deal with some of the other areas in the future.

An Honourable Member: At least you are offering something.

Mr. Reid: Well, we try to be constructive every time we stand up and talk.

Madam Speaker, after giving that solution to the government, I am going to state some of the facts as to how this budget has impacted the people in my community and the services in the community of Transcona.

I know we have had only a few days since the budget was released by the Minister of Finance (Mr. Stefanson), and it has not given us a great deal of opportunity to study it in the detail that we would have liked to to this point in time, but we will be progressing to that study as we move toward the Estimates of the various departments which will commence with the end of the debate on the budget speech itself and the budget document.

* (1720)

The Minister of Education (Mrs. McIntosh) had made some comments here a few moments ago just before I had

the chance to start my comments, and she referenced the fact that there is a huge debt in this province that is steamrolling us, to take a word out of the budget document itself, and it is creating all kinds of grief for the government, but what the Minister of Education fails to state here is that the first debt, from what I am aware of, started at the time of her own Sterling Lyon provincial government and that there was some \$240-million deficit that was left by the Sterling Lyon Conservative government that was carried over to the Pawley years.

Yes, the Pawley years, they did run deficit budgets, but they did it during a recession period to try and keep the people of Manitoba working. That was the purpose of running the deficit at that time, trying to build opportunities for people, trying to keep the communities going and to keep the economy of Manitoba moving forward. That was the intent of it at the time.

What the Minister of Education (Mrs. McIntosh) fails to mention here is that during your term of government, since 1988, when you were first elected to government, you put some \$2.5 billion more onto the overall general debt of the people of Manitoba, to the taxpayers of this province and you started in 1988. Those are not my words. It is the Auditor saying that you were left with a surplus of \$58 million. If the Auditor is wrong, well —[interjection] You cannot say that the Auditor is lying. That is an independent person. The Auditor I think has done a very good job. The Auditor has had the opportunity to come before committee hearings. We have had the chance to ask some very important questions and he or she has answered in a very forthright and open way.

If you take a look at the interest payments that we as a people in this province have to pay just on the debt since 1988, you are talking \$250 million a year, so do not lecture members on this side of the House about having a debt that you have to take care of, and that the interest payments are crushing when you have already added \$250 million a year yourself to the interest payments. We do not need that type of lecture. You have had a debt. The highest single-year deficit in this province belongs to your government—\$819 million in a single year. From a surplus of \$58 million in '88 you went to a debt of \$819 million. What a distinction to hold as a government.

Now to get back to the Minister of Education (Mrs. McIntosh) who was talking a few moments ago. I was a little disappointed that she did not spend more of her time trying to answer some of the questions that were carried over from Question Period that she could not answer relating to funding for both public and private schools in this province. I hope that she will have the chance to come back with an answer on Tuesday for us, so that we can have some kind of understanding of where our public schools and our private schools stand with each other in this province.

The minister in her earlier announcement talked about a 2 percent funding reduction. Well, the trustees in my community, the Transcona-Springfield School Division, tell me it is a 2.5 percent funding reduction. That is how it is impacting us in Transcona. In addition to that, there is about an \$800,000 reduction in grants from the provincial Department of Education to the Transcona-Springfield School Division. It is a significant hit when you do not have any reserve to draw on. There is no money left in the surplus and we did not have a very big surplus to start with, because we are very frugal managers on the part of the school board over the number of years.

The other issue that has been bothering the school trustees is that the province through the Department of Education sent out a survey to all the school divisions asking them where they are using the school buses. Then when they found out where they were using the school buses, they came along and said, well, you are going to have to take six buses off the road, they have expired due to age, but we are not going to give you the \$360,000 to replace them. The school trustees out in the Transcona-Springfield area were using the new buses in the rural area that they had purchased because they own two buses out there, had moved them into the rural area to service the students in the rural area which I think is good for the safety of the students. But now the students in the city portion who are being bused to some of the immersion programs, for example, 531 students are going to be disadvantaged because six buses now are being taken off the road. June, they have to come off the road. Where is the school division going to come up with \$360,000 in two months before the new school year starts? They do not have an idea yet where they are going to get the money from.

I listened to the comments that were done in Question Period here and the lack of answers that were unfortunately coming from the Minister of Education, when the Minister of Education would not comment on the fact that public school funding, per pupil funding, has decreased by \$75 a pupil while there is an increase of \$260 per pupil in the private school system, a 15 percent increase. How is this fair?

The government says that—you say that you have a legal opinion. My colleagues have been asking for the legal opinion for some time and it has never been tabled in this House. We want to see the legal opinion that you have.

I have had the opportunity to talk to the special needs co-ordinator in the Transcona- Springfield School Division. That person tells me that there has been a change in the funding for special needs students, and the Minister of Highways and Transportation (Mr. Findlay) knows, because he had the opportunity to have a private meeting with the school trustees. I am sure they must have raised this with him as well when he took Mr. Ed Masters with him to that meeting.

You have changed the criteria on special needs funding students. Some of the students that used to be in Level II funding, because you have changed the classifications, now are in Level I, so you are getting less dollars to support the needs for those students. The students that are in Level I, you have given a decrease in Level I as well in dollar funding.

In addition to that, I am told—I am not an expert in education, I have never worked in the education field, but I am told by the experts that work in those jobs that you do not provide funding for Down's syndrome students, that you do not provide funding for fetal alcohol syndrome students, that you do not provide funding for attention deficit disorder students and that you do not provide funding for autistic children within the school division. Now, those are not my words. Those are the comments that I have received from the special needs co-ordinator in my school division. That is what I have been told.

I am telling you that that is wrong if you do not provide the support services necessary for those special needs

children. The trustees comment when I have attended the school board meetings, and I have attended quite a number of them over the last five, six years, the trustee said this year, the province is starving us to death financially. You do not care about the students. You care about the bottom line. Those are their comments. I am relating that to you because I think you need to hear this. You are starving the students to death in the public school system.

The Minister of Education (Mrs. McIntosh) says that, well, if you are worried about finding funds somewhere, you could take 20 percent of your special needs allotment and you can shift that over. When you do not fund for the students that I have just mentioned moments ago, the Down's syndrome students, the autistic children, how are we going to take 20 percent of their budget money and shift it out of that area where they are desperately needed and shift it into the other programming area? What kind of solution is that that the Minister of Education gave?

I have been told—now, this may have changed, and I would have to check this, but the last time I talked to the school trustees on this, which was just a few weeks ago, that the teachers that were seconded to mark the exams, the school had not been compensated the money for that time because there had to be replacement teachers brought in. That is another cost that is being offloaded or shifted onto the school divisions.

We have a serious problem in public education because of the underfunding that your government and the direction you are taking with public education in this province and the dollars that you are intentionally shifting away from the public school system into the private school system.

Now, if you want, because of your political philosophy, to increase funding to private schools, that is your decision, but you do not penalize the public school system and transfer those dollars over. You just do not do it. You are taking advantage of the children, the ones that cannot speak for themselves.

We had the opportunity just earlier this week, as we have had in the past, to canvass homes in the northeast—

Madam Speaker: Order, please.

When this matter is again before the House, the honourable member for Transcona will have 10 minutes remaining.

The hour being 5:30 p.m., this House is adjourned and stands adjourned until 1:30 p.m. Tuesday next.

Happy Easter.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, April 4, 1996

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