



Second Session — Thirty-Second Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS

31-32 Elizabeth II

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Second Legislature

Members, Constituencies and Political Affiliation

Name	Constituency	Party
ADAM, Hon. A.R. (Pete)	Ste. Rose	NDP
ANSTETT, Andy	Springfield	NDP
ASHTON, Steve	Thompson	NDP
BANMAN, Robert (Bob)	La Verendrye	PC
BLAKE, David R. (Dave)	Minnedosa	PC
BROWN, Arnold	Rhineland	PC
BUCKLASCHUK, John M.	Gimli	NDP
CARROLL, Q.C., Henry N.	Brandon West	IND
CORRIN, Brian	Ellice	NDP
COWAN, Hon. Jay	Churchill	NDP
DESJARDINS, Hon. Laurent	St. Boniface	NDP
DODICK, Doreen	Riel	NDP
DOERN, Russell	Elmwood	NDP
DOLIN, Mary Beth	Kildonan	NDP
DOWNEY, James E.	Arthur	PC
DRIEDGER, Albert	Emerson	PC
ENNS, Harry	Lakeside	PC
EVANS, Hon. Leonard S.	Brandon East	NDP
EYLER, Phil	River East	NDP
FILMON, Gary	Tuxedo	PC
FOX, Peter	Concordia	NDP
GOURLAY, D.M. (Doug)	Swan River	PC
GRAHAM, Harry	Virten	PC
HAMMOND, Gerrie	Kirkfield Park	PC
HARAPIAK, Harry M.	The Pas	NDP
HARPER, Elijah	Rupertsland	NDP
HEMPHILL, Hon. Maureen	Logan	NDP
HYDE, Lloyd	Portage la Prairie	PC
JOHNSTON, J. Frank	Sturgeon Creek	PC
KOSTYRA, Hon. Eugene	Seven Oaks	NDP
KOVNATS, Abe	Niakwa	PC
LECUYER, Gérard	Radisson	NDP
LYON, Q.C., Hon. Sterling	Charleswood	PC
MACKLING, Q.C., Hon. Al	St. James	NDP
MALINOWSKI, Donald M.	St. Johns	NDP
MANNES, Clayton	Morris	PC
McKENZIE, J. Wally	Roblin-Russell	PC
MERCIER, Q.C., G.W.J. (Gerry)	St. Norbert	PC
NORDMAN, Rurik (Ric)	Assiniboia	PC
OLESON, Charlotte	Gladstone	PC
ORCHARD, Donald	Pembina	PC
PAWLEY, Q.C., Hon. Howard R.	Selkirk	NDP
PARASIUK, Hon. Wilson	Transcona	NDP
PENNER, Q.C., Hon. Roland	Fort Rouge	NDP
PHILLIPS, Myrna A.	Wolseley	NDP
PLOHMAN, John	Dauphin	NDP
RANSOM, A. Brian	Turtle Mountain	PC
SANTOS, Conrad	Burrows	NDP
SCHROEDER, Hon. Vic	Rossmere	NDP
SCOTT, Don	Inkster	NDP
SHERMAN, L.R. (Bud)	Fort Garry	PC
SMITH, Hon. Muriel	Osborne	NDP
STEEN, Warren	River Heights	PC
STORIE, Jerry T.	Flin Flon	NDP
URUSKI, Hon. Bill	Interlake	NDP
USKIW, Hon. Samuel	Lac du Bonnet	NDP
WALDING, Hon. D. James	St. Vital	NDP

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 1 March, 1983.

Time — 2:00 p.m.

OPENING PRAYER by Mr. Speaker.

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

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. A. MACKLING: Mr. Speaker, I wish to table a Report of the Department of Natural Resources for the period 1981-82, and a report of the Conservation Districts of Manitoba Annual Report for the year 1981.

I wish to indicate to the House that we haven't got all copies back from the printer, but I wanted to table these with the House at this time.

NON-POLITICAL STATEMENT

MR. SPEAKER: The Honourable Minister of Community Services.

HON. L. EVANS: Mr. Speaker, I would like to make a very brief, non-political announcement, by leave, if I might.

MR. SPEAKER: Does the Honourable Minister have leave? (Agreed)

The Honourable Minister of Community Services.

HON. L. EVANS: Thank you. Today is March 1st, St. David's Day, St. David being the Patron Saint of Wales and, as one who comes from Welsh background, both my mother and father having come to this great country of ours before the First World War from the great country of Wales, both having spoken Welsh, would be very pleased to know that the members of this Legislature, as I'm sure they will, join with me in wishing the very best wishes to all of Welsh descent who live in the great Province of Manitoba on the occasion of St. David's Day. Thank you.

MR. SPEAKER: Notices of Motion . . . Introduction of Bills . . .

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we reach Oral Questions, may I direct the attention of honourable members to the gallery where we have 30 students of Grade 11 standing from the Arborg School. The students are under the direction of Mr. Sterutynsky and the school is in the constituency of the Honourable Minister of Agriculture.

There are also 48 students of Grades 3 to 6 standing of the Agassiz Drive School under the direction of Mrs.

Puscas and Mrs. Johnson. The school is in the constituency of the Honourable Member for St. Norbert.

On behalf of all the members, we welcome you here this afternoon.

ORAL QUESTIONS

Picket lines - ambulance drivers

MR. SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Speaker, yesterday I was asked a question of the Member for Fort Garry and I replied that if he could give me the details, I would investigate it. I am still waiting for the details but I did start the investigation. The department have been in touch with the Health Sciences Centre, the ambulance group, and I might say that they both refute quite categorically the allegations that were made.

There is no picketing in that area at all. There has been no ambulance prevented from bringing in patients at all. There has been a letter also, which I received a copy of, to the Member for Fort Garry, from the International Association of Machinists who certainly are not in accord with the statement that was made, or rejected quite strongly.

I am assured that at no time will there be anybody that is sent to the hospital or the emergency, that there will not be any picketing at all or any stopping of the ambulances. There is a possibility that I mentioned yesterday, that the situation might be that this is not really related to the strike. It was an ambulance driver who felt that maybe there wasn't as much danger as there seemed to be.

Nevertheless, I think the important thing is the insurance and I've used that question to assure myself and the people of Manitoba that the strikers will not prevent the ambulances from delivering patients.

Winkler and Morden hospitals - reduction of nurses

HON. L. DESJARDINS: There is another question, Sir, that was put in the House and then the Member for Pembina chose to make a false statement to the radio. I am talking about the Winkler and Morden hospitals where there has been a reduction of nurses. I might say that the approved base at Winkler is 59.7 percent of either nurses, or the equivalent of full-time nursing staff, that they are below that; that the inspector of the commission, quite the contrary, has gone there and suggested that it was a dangerous situation and that they should try to beef up their employment.

In Morden, it is somewhat different. They are now one over the base. This is something that has been done constantly. There is a base and the Budget is approved for that base and if any hospitals or any institutions decide that they should have more, then they have the responsibility. That was done under the former government and is done —(Interjection)— I beg your pardon?

MR. D. ORCHARD: What were the numbers two years ago?

HON. L. DESJARDINS: Two years ago? I'm glad you asked that. It was 58.8 in Winkler and the base is 59.7, as I mentioned, and now they have 57.8. Apparently they have had trouble in —(Interjection)— Well, my honourable friend - I'll repeat for them - they are understaffed, not because of any direction, because they can't find the staff. The Inspector of the Commission brought this to their attention and suggested that they should get their full complement, so it is not any action of this inhumane government.

As far as the lunches, I might say that for the staff at Winkler, but that was another thing. It was noted by the Standards officer that they had access to the kitchen on an honour system. That wasn't satisfactory; they stopped it, the hospital itself. As far as the patients, they have had a choice of sandwiches at the evening meal, that was supposed to be discontinued. They've had a choice of sandwiches, juice, coffee, cake and cookies. The only thing that was done, the lunch is still there; they have the same choice except sandwiches. One of the reasons is that many of the hospitals feel that there should not be a heavy meal for patients before going to bed. If there is any need at all the doctor has to do is prescribe it and they will have it, but they still have their choice of coffee, tea, juices, cake and cookies.

A MEMBER: Let's all go.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. SHERMAN: Thank you, Mr. Speaker, I want to thank the Minister for his response to my question having to do with ambulance services relative to the Health Sciences Centre and the current strike situation. Certainly his reassurance is welcome and much appreciated, and I thank him for looking into the situation and providing the information that he did. I, too, have explored the situation further since asking the question yesterday, and as I assured the Minister I will make him aware of the details of the situation that prompted my question. — (Interjection)— I wonder if the Acting House Leader for the government has something on his mind or if he could permit me to finish my response to the Minister.

MR. SPEAKER: Order please, order please. The Honourable Minister of Natural Resources on a point of order.

HON. A. MACKLING: Yes, Mr. Speaker, on a point of order. We are in the question period and the Honourable Minister rose to answer questions the other day. He has answered those questions. That was not a ministerial statement. The Honourable Member for Fort Garry, if he has a question, can put a question. This is not a ministerial statement.

MR. SPEAKER: The Honourable Member for Turtle Mountain to the same point of order.

MR. A. RANSOM: On the same point of order, the Minister of Health took a full five minutes to respond

to questions that were asked and to some extent answered yesterday - a full five minutes. The Acting Government House Leader wasn't on his feet once, not once, to indicate that the Minister was abusing the Rules of this House. When my colleague stands here to ask a question and to preface that question in response to information provided by the Minister of Health, he has every right to do so and I trust this House will not operate according to a double standard.

MR. SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Speaker, I don't want to comment on the point of order raised by our House Leader, but I resent the accusation or the statement that I abused the question period. I think I tried to answer the question that was asked.

MR. SPEAKER: The Honourable Member for Fort Garry to the same point.

MR. L. SHERMAN: Yes, Mr. Speaker, I don't believe that the Minister of Health abused the question period, and I don't believe that I'm abusing the question period. I'm thanking the Minister for his information and proceeding to ask him a further question, and I think we could get on with it if we didn't have the intrusions by the Acting Government House Leader.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please. The Honourable Minister of Natural Resources to the same point.

HON. A. MACKLING: Mr. Speaker, if the Honourable Member for Fort Garry is indeed going to be sincere with this House, he will confirm that other members on that side of the House had the same impression he did, that we were not in question period and he proceeded to make a statement in reply, yet there was no question being formulated by the member.

MR. SPEAKER: The Honourable Member for Fort Garry to the same point.

MR. L. SHERMAN: Mr. Speaker, on a point of privilege or a point of order, and I'd ask you to make the differentiation, Sir, what does the Minister of Natural Resources mean by whether the Member for Fort Garry is sincere with this House? I made no reference to whether we were in question period or not - none. I was responding with appreciation to what the Minister said and then was going to ask him a question.

MR. J. JOHNSTON: He's crazy. No, he's just crazy.

MR. L. SHERMAN: Mr. Speaker, I don't particularly want to belabour that point.

MR. SPEAKER: Does anyone else wish to advise to the same point of order?
The Honourable Member for Turtle Mountain.

MR. A. RANSOM: The Acting Government House Leader has questioned the sincerity of my colleague

for Fort Garry and I ask that the Government House Leader withdraw that innuendo.

MR. SPEAKER: I will take the matter under advisement and review what Hansard has to say on the matter. Perhaps we can proceed with the oral question period. The Honourable Member for Fort Garry.

MR. A. RANSOM: Risk making a ruling.

Picket lines - ambulance drivers

MR. L. SHERMAN: Mr. Speaker, I appreciate the information given to the House by the Minister of Health but I wish to ask him a further question on the subject predicated on the fact, notwithstanding the references to rumours and other imputations and allegations that have come across the floor. I wish to preface my question on the fact that my intervention yesterday was made sincerely in the interests of, and on behalf of a family in this province who suffered great distress a few evenings ago because of the refusal of an ambulance dispatcher and/or driver to transport an ill member of the family to the Health Sciences Centre. That happens to be a fact; it happened to take place.

I want now to ask the Minister of Health whether he can advise the House when a policy went into effect that said dispatchers or drivers could make these arbitrary decisions regardless of consultation with the professionals - with doctors who are serving as professionals on the case - as to whether a seriously ill patient or person was seriously ill enough to be transported to the Health Sciences Centre, when asked to be taken there by the family on the understanding that the patient's doctor would be there. Now, if that policy has been changed, then Manitobans should be advised that they cannot necessarily get into the Health Sciences Centre. The family certainly was under the impression that it was as a result of the strike. It may not have been but I would like to ask the Minister to clarify that policy.

MR. SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Speaker, to the member, there certainly hasn't been any change in the policy. There are certain actions that are taken by certain people. At the time it doesn't mean that it is always an order or a policy. I think the important situation is that because of the strike - that's the way I took the question yesterday - we want to make sure that the strikers and the picketers would not prevent any patient from reaching destination. I can assure the members of this House and the people of Manitoba, after checking with everyone, that this is the situation.

It might be that in certain situations if the hospitals or the ambulances - and here I'm not sure; I'm suspecting that this might be the case - that the ambulance attendants should certainly have some training. I'm not commenting if they're right or if they're wrong, but that because of the situation, that they would accept emergency patients, and might have taken upon himself to judge that it wasn't an emergency case and then suggest that there was not a danger.

My information is - and I don't want to prolong this - I don't think there is any point in mentioning the

person. I think I know who it is and from what I hear, the person certainly wasn't in danger. That person decided that he did not like the idea of going to the hospital and the family drove him to the Health Sciences Centre where that person is resting comfortably I understand. As Minister of Health, I have certain responsibilities but I haven't got the responsibility for everything that everybody does. I have the responsibility of the policy to make sure that this is done. Now, the situation in this case, and it seems quite rightly, that person was not endangered at all.

The important thing - and I think that's what the member really wants to know - there is no policy directing the ambulance drivers or there is no picketers or anybody that will block the entrance of an ambulance bringing in an emergency, or when a doctor is sending a patient to a certain hospital.

Education funding - student aid

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. A. RANSOM: Mr. Speaker, my question is to the Minister of Finance. It's evident from a response given by the Minister of Education a few days ago, in response to a question asked by my colleague, the Member for Tuxedo, that the Minister of Education has underestimated the amount of money which she anticipates being expended in the area of student aid. In view of the fact that the Estimates of Expenditure are supposed to reflect the best knowledge concerning the amount of money which it is anticipated will be expended during the year covered in the Estimates, my question to the Minister of Finance is, will the Minister of Finance assure this House that to the best of his knowledge there are no other areas of spending within the Estimates where the amount of spending has been knowingly underestimated?

MR. SPEAKER: The Honourable Minister of Education.

HON. M. HEMPHILL: Mr. Speaker, I would like to address myself to that question because the member opposite is interpreting the remarks that I made in the House yesterday as an indication by me that we had underestimated the amount that would be required to cover the Student Aid Program and that is not so, Mr. Speaker.

There is additional significant amount of information that will come out in Estimates but I'd like to give a summary of what the situation is now prior to going into the Estimates discussion.

There are a number of factors that we have to look at when we are making decisions about the level of student aid funding. —(Interjection)— I am explaining that we have not underestimated the student aid requirements. I'd like to continue with my explanation, Mr. Speaker. There are a number of reasons why we have not underestimated; there are factors that the members opposite do not know, are not aware of.

The first factor is that we are expecting an increase in the federal level of contribution for Student Aid this year. The province has been more than maintaining its level of funding. The Federal Government has slipped

badly; we are expecting them to improve their level of funding this year, Mr. Speaker. That is going to have a significant effect on the amount of money that is available.

The other factor that they would be unaware of is that in terms of the applications, we have an increasingly large number in the loan category. Last year, far more of the applications were in the loan category which is funded by the Federal Government than are in the bursary category which are funded by the Provincial Government, which means there is a shift in the requirements and the province is handling well its requirements to meet the bursary categories.

The government showed last year that we will maintain the program —(Interjection)—

MR. SPEAKER: Order please. I wonder if it wouldn't be better for the Minister to provide that information, by the way, by way of a written document, since the answer does tend to be somewhat long.

The Honourable Member for Turtle Mountain.

MR. A. RANSOM: Yes, Mr. Speaker, in view of the fact that the Minister of Education has under Student Aid an amount only slightly larger than budgeted last year, and in view of the fact that it was necessary for them to pass a Special Warrant in excess of \$1 million to cover Student Aid, and in view of the fact that the Minister expects more applications under Student Aid, and in view of the fact that revenues as well as expenditures must show up in the Estimates, my question to the Minister of Finance is, are there any areas in the spending Estimates before us, to the best of the Minister's knowledge, where the Estimates of Expenditure have been knowingly underestimated? I want that assurance from the Minister of Finance.

MR. SPEAKER: The Honourable Minister of Finance.

HON. V. SCHROEDER: Mr. Speaker, I just want to make it clear that the area of Student Aid was not knowingly underestimated for the coming year. To put that in some kind of context, let's remember that in the last year, in the year when that Member for Turtle Mountain was the Minister of Finance, we needed a Special Warrant for over \$100 million as compared to \$44 million for last year.

I don't know of any areas where we have knowingly underestimated expenditures for the coming year.

Loan Guarantee Program

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOWNEY: Mr. Speaker, in view of the fact - this is to the Acting Minister of Agriculture - or the importance of it, I think it could be the First Minister that answers it or whoever may be capable if he isn't - that the agricultural community is going through probably one of the worst times since the Depression in the 1930s, and that they have recently in their Budget put forward \$100 million Loan Guarantee Program which I would predict there would be very few, if any, present farmers would be eligible for that program; in view of the fact, as recent as yesterday, I had a

constituent who, I think, with not a bad record of repayment to a banking institute where they had paid somewhere in the neighbourhood of almost \$100,000 in capital last year, as well as \$66,000 in interest payments, own approximately 40 percent of their assets are now being put into receivership, will the \$100 million program, Mr. Speaker, to the First Minister, be available to individuals like him or same kind of farm families who are finding themselves being pressured by the banking community at this time?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, the program will be available, of course, on the basis of those that apply; criteria will be established pertaining to that program. The Minister of Agriculture, of course, will be in much better position to give much greater detail in regard to that.

To ask me whether or not a particular loan would be made available in a particular case, as the Honourable Member for Arthur is doing, it's unfair, because I have no knowledge as to the particular case, the circumstances, and the reasons for the financial default. I wouldn't attempt to speculate based upon facts that I do not have available to me.

MR. J. DOWNEY: Mr. Speaker, I would ask the First Minister, in view of the fact that in the press release that was issued today by the Minister of Agriculture and for a bit of background so he can answer this question - he's indicating that he's not aware that there are details or that there are guidelines provided for the program - that guarantees will be strictly limited to operating credit and will not be used to cover existing loans and arrears, how many farmers who are presently farming in Manitoba don't have arrears or current financial difficulties?

HON. H. PAWLEY: Mr. Speaker, all that I can say to the Honourable Member for Arthur, we have been receiving positive response pertaining to the initiatives by the Minister of Agriculture from both the farm community and also from the banking community in the Province of Manitoba recognizing that there are certainly positive features.

In saying that, Mr. Speaker, no one ought to pretend that they can deal with all the financial woes of the agricultural community today in Canada, no less than in Manitoba. There's problems pertaining to costs; problems pertaining to the change re the transportation costs, i.e., the Crow; changes pertaining to the prices that farmers receive. But at least, Mr. Speaker, what we are attempting to do insofar as the program announced by the Honourable Minister of Agriculture is to provide some degree of assistance to assist to some extent farmers in the Province of Manitoba. We'll deal with every possible case, every kind of circumstance. Of course, the answer is no, Mr. Speaker.

MR. J. DOWNEY: Well, Mr. Speaker, will the First Minister instruct his Minister of Agriculture to change the criteria, so that the Bank Guaranteed Program can be put in place to over those people who have existing debt or arrears, because those are the people who are

in difficulty today, not the ones trying to get into farming?

HON. H. PAWLEY: Mr. Speaker, we'll be prepared to examine any criteria, any program at any time. Mr. Speaker, to the Honourable Member for Arthur, there is a limit to which any government, at any time, can financially proceed to do in a responsible manner.

It is somewhat interesting to hear the requests and the calls, indeed, for further financial input in view of the debate that has been taking place, and comments have been taking place across the way over the last two or three days.

MGEA Agreement

MR. SPEAKER: The Honourable Member for Elmwood.

MR. R. DOERN: Mr. Speaker, I'd like to direct a question to the First Minister concerning this heavily criticized agreement, signed by the government and the MGEA over 30 months, and a figure of 27 percent. Can the First Minister confirm that the Conservative administration signed a contract with the MGEA for some 23.5 percent over 24 months, which extrapolated over a 30-month period is equivalent to 29.5 percent? Can he also confirm that an agreement was signed with the employees of St. Boniface Hospital for 30 percent, plus a COLA clause over 24 months, which is equivalent to 37.5 percent over 30 months, Mr. Speaker; and that they also signed an agreement with the operating engineers, the IUOE operating engineers at the Health Sciences Centre for 31.5 percent over 24 months? Can the Minister confirm those figures?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, I appreciate the question because it does focus some attention on some of the duplicity that has taken place on the part of honourable members lately in regard to certain allegations that have been made. I cannot confirm the first few figures that the honourable member has mentioned but, Mr. Speaker, what I can indeed confirm is that in 1981 major settlements were entered into during the time of the former Minister of Health, the Member for Fort Garry. During the time of the former Minister of Finance, the Member for Turtle Mountain, Mr. Speaker, settlements that were the highest, highest settlements in the election year 1981 that were ever entered into by any government in the Province of Manitoba with employees in the history of the Province of Manitoba.

I would like to also further inquire, so I can confirm the information provided to me by the Member for Elmwood.

MONA Agreement

MR. R. DOERN: Mr. Speaker, can the First Minister also confirm that the nurses' union, MONA, was given a 38-percent settlement over 24 months or 42 percent over 24 months? I wonder whether the First Minister would characterize the members opposite in view of these generous settlements given to a whole series of

unions, either by themselves directly or by their representatives, rather than characterizing them as a pride of lions, they could better be described as simply a bunch of pussycats.

HON. H. PAWLEY: Mr. Speaker, the answer to the first part of the question is, yes, and possibly a little bit more than the 38 percent re the MONA. (b) In pertaining to the description of the honourable members across the way, I wouldn't try to describe them either by the terminology suggested by the Honourable Member for Elmwood or other members in this House. I think Manitobans themselves will properly characterize honourable members across the way and their opposition.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Mr. Speaker, just a straight forward question to the First Minister. Would he undertake to provide this House with an Order for Return confirming these figures, Mr. Speaker, so that it can finally come out that the responsibility of the previous administration was not as advertised by honourable members opposite prior to the last election, that essential services, health, particularly and otherwise, were being looked after? What was all that stuff that I was hearing about and that the media was printing about my tight-fisted leader, the Lyon Government, the cutbacks, the dirty sheets in the hospitals, and all the other nonsense? Now, we hear the whole truth to the story. I would like an Order for Return confirming all those figures about that tight-fisted government that I was a part of.

MR. SPEAKER: I am not sure whether that was a question, perhaps the Honourable First Minister wishes to reply.

HON. H. PAWLEY: Mr. Speaker, the Honourable Member for Lakeside, I would be delighted to deal with an Order for Return because of what the Order for Return will show, if you should table an Order for Return, is that 1978, 1979, 1980, we had acute protracted restraint government, extremely stingy insofar as health care workers and others in the Province of Manitoba. In 1981, the year of the election, these fellows who were the scrooges in Manitoba became the Santa Clauses in the Province of Manitoba. Money grew on trees in 1981 and the honourable members across the way, including the Member for Turtle Mountain, the Member for Fort Garry, while they were Finance and Health respectively, entered into, as I mentioned earlier, the largest settlements after three years of so-called restraint, the largest settlements in the history of the Province of Manitoba - the year of the election.

MGEA Agreement

MR. SPEAKER: The Honourable Leader of the Opposition.

HON. S. LYON: Mr. Speaker, I would like to get the debate back to today and I would like to get us back to the agreement. I would like to get it back to the agreement, Mr. Speaker, that the First Minister and his

government just signed with the Manitoba Government Employees Association. Can the First Minister confirm what I asked him the other day that the agreement that he and his government signed, a matter of a week or two ago, with the Manitoba Government Employees Association was for a 30-month contract in total for 27.5 percent compounded with no layoff and no wage control? Mr. Speaker, in order to help my honourable friend answer that very simple question, I'll file with the House, the Manitoba Government Employees Association News Release dated February 15, 1983, wherein the Manitoba Government Employees Association says that's the agreement that they signed. Will the First Minister confirm that's the agreement that he signed because one party seems to know what they signed in any event?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, the Honourable Leader of the Opposition ought to have no problem in doing some calculations. The reopening of the agreement pertaining to the Manitoba Government Employees Association dealt with a settlement over an 18-month period. Mr. Doer, himself, has very clearly demonstrated what indeed that cost each government employee in the Province of Manitoba. Mr. Doer's statement was to the effect that the cost was some \$600 average per employee in the Province of Manitoba in the public service of the Province of Manitoba.

Mr. Speaker, I am not going to argue with that statement by the President of the Manitoba Government Employees Association because it is an accurate statement. It is an accurate statement on the part of the President of the Manitoba Government Employees Association, freeing up some \$10 to 11 million insofar as a Province of Manitoba is concerned for the fiscal year '83-84, insofar as the fiscal year '84-85, Mr. Speaker, we are looking at a 2.5 percent over a six-month period.

HON. S. LYON: Mr. Speaker, well, then the question that the Honourable First Minister continues to evade, and I have laid the document on the table of the House, wherein the Government Employees Association states that they have signed an agreement, the effect over 30 months of which is to give a 27.5 percent increase to all of the provincial civil servants in Manitoba, will the First Minister merely confirm that statement by the Manitoba Government Employees Association, the same Mr. Doer, whom he quoted with approval just a few seconds ago, will he not confirm that Mr. Doer was telling the truth when he made that statement to his membership and to the people of Manitoba as well?

HON. H. PAWLEY: Mr. Speaker, if the Leader of the Opposition would just for a moment look at the settlement, he would note that it deals with the period April 1, 1983, to September 30, 1984. It requires no genius to do that. Insofar as statements that have been issued by other parties in the Province of Manitoba, I am not about to become involved in a debate with the Leader of the Opposition as to whether certain details and other statements issued by others are in accord with our understanding of the agreement.

MR. SPEAKER: The Honourable Leader of the Opposition.

HON. S. LYON: Mr. Speaker, with the First Minister continuing to evade the truth, is the First Minister saying to the House and to the people of Manitoba that he's prepared to accept the word of Mr. Doer when he happens to agree with the interpretation of that word, but he is not prepared to accept the word of Mr. Doer when Mr. Doer says equally, telling his members that the agreement that he signed with this government, which was obviously a doormat government, the agreement that he signed with the government is over a 30-month period for 27.5 percent; is he saying Mr. Doer was lying about that?

HON. H. PAWLEY: By what way I could be evading the truth when I again have to repeat to you, Mr. Speaker, and for honourable members of the Chamber, that the agreement expires 18 months from April 1, which is September 30th, again I repeat, September 30th, 1984, not September 30th, 1985. Now if I calculate April to September of 1984, my calculations tell me that comes to 18 months. Maybe the Leader of the Opposition would like those calculations to come to 30 months, as indeed did the Member for Rhineland and the Member for Fort Garry calculate those figures on Public TV, but my calculations tell me it's 18 months and not 30 months as alleged by some honourable members across the way.

HON. S. LYON: Mr. Speaker, the First Minister can put on this display, as I said earlier, of bad theatre, in front of the camera, I'm sure for the dismay of the people of Manitoba and he can argue about figures all he wishes. The figures that I'm proposing to him are not my figures, Mr. Speaker, they're the figures of the other party to the agreement, the Manitoba Government Employees Association. I suppose the question has to be, Mr. Speaker, a double-barrelled question which I think we deserve an answer to, is the First Minister saying that the effect of the agreement that he opened up and signed on behalf of the taxpayers of Manitoba a few days ago, is it not the effect of that agreement over a 30-month period, of the opened-up agreement, to give the civil servants of Manitoba a 27.5 percent compounded increase at a time when most other employees in Manitoba are lucky to be getting zero, is that number one, is that not the case; and number two, does the First Minister not realize at this late date that that is the agreement he signed?

HON. H. PAWLEY: Mr. Speaker, all that I can say to the Leader of the Opposition is that we are dealing with the next 18 months. We're not dealing with the period April 1, 1982 to April 1, 1983; we're dealing with the 18-month period, April 1, 1983 to September 30, 1984.

You know the honourable members across the way find it very very difficult to accept that management and employees union can sit down, and though agreement may be legal and quite binding in respect to both parties, that voluntarily parties can re-open an agreement, and honourable members don't like the fact that through voluntary re-opening of the agreement,

through the kind of discussions that took place, some \$11 million was freed-up for the Government of the Province of Manitoba. Mr. Speaker, that is what honourable members across the way don't like. They don't like the fact that this agreement is being reflected upon well by both business and by labour circles in the Province of Manitoba as a model of the kind of negotiations that should be taking place during these difficult times. Honourable members don't like the fact that this government is showing an alternative, an alternative to their antiquated approaches across the way as well as unfortunately the lack of leadership that flows from Ottawa, Mr. Speaker.

HON. S. LYON: Mr. Speaker, it becomes apparent I think to any reasonable observer that the First Minister really doesn't know the arithmetic of what he signed on behalf of the people of Manitoba. Now, Mr. Speaker, as he continues this bad theatre and continues to pull figures and statements out of the air, talking about a saving of \$10 million, would he not, as a lawyer, agree that the proper term for that \$10 million item would be a deferral of payment, rather than a saving to the taxpayers of Manitoba; and that being the case, how do he and his beleaguered Minister of Finance justify the inclusion of the statement in the Estimates when they're referring to their illusory \$200 million Job Fund as contribution by MGEA? How do they justify that as a contribution when it's merely a deferral of monies paid?

HON. H. PAWLEY: The answer to the Leader of the Opposition's question is no, no. The saving is a \$10 million - in fact it could be closer to an \$11 million settlement - in the fiscal year 1983-84 and insofar as the June 23rd, 1984 which is three months into the fiscal year 1984-85 - I wonder if the Leader of the Opposition could listen to this because it might enlighten him just a little bit as to some of the facts before him. I know he sometimes appreciate facts. At June 23rd, 1984 a further average 1.5 percent increase, expressed as \$370, is added. Note - and this is important, too, and I'd like to emphasize this because, though it doesn't particularly warm the hearts of members across the way, it is important to most Manitobans - the dollar increase effectively gives lower paid workers a relatively greater increase than those in higher brackets.

Mr. Speaker, if the Leader of the Opposition would like to examine personally the agreement, we'll certainly make that available to him at any time. I'm sure it's available, that we could make it available to the Leader of the Opposition for his personal perusal at any time.

HON. S. LYON: Mr. Speaker, I think the question needs to be put then, is the Manitoba Government Employees Association and their president, who stated that the effect of the 30-month contract, the extended 24-month contract, the effect of it is to give 27.5 percent to government employees at a time when steelworkers are taking zero percent; at a time when Schneider's are taking 5 percent, or 6 percent, or whatever; at a time when people are being laid off in Manitoba with no increase at all, is the First Minister trying to say that an agreement that he signed that gives 27.5 percent to this special category of people, of civil servants in

Manitoba, is he trying to say that is good business for Manitoba, and did he in fact sign the same agreement as the one that Mr. Doer describes in the document that I've laid on the table of the House, or does he know?

HON. H. PAWLEY: Mr. Speaker, what the Leader of the Opposition doesn't like again, and I've tried to respond to. I believe this is about the 21st time, maybe the 22nd time that the Leader of the Opposition has posed, I think, practically the same question in this Chamber since the opening of this Legislature. Very very clearly, Mr. Speaker, again no matter what way you add up the calculations, \$10 million to \$11 million saved, fiscal year 1983 to 1984, a 1.5 percent increase takes place, not April 1 of 1984 as would be the normal time for the termination of the older agreement, but not until June 23, 1984, close to three months after April 1 of 1984, an increase at that time of a modest 1.5 percent takes place insofar as the contract with the employees of the Manitoba Government.

Mr. Speaker, a further 1 percent or a little less can be explained by the fact that on April 1 of 1984 a disability program takes effect in the Province of Manitoba, so that during that first six-month period in 1984 approximately 2.5 percent average is added to the contract over that six-month period of 1984. Mr. Speaker, the Leader of the Opposition need only do his own calculations and he'll arrive at the same conclusions.

MR. SPEAKER: Order please. The time for oral questions having expired.

The Honourable Member for Pembina rises on a point of order.

HANSARD CORRECTIONS

MR. D. ORCHARD: Yes, Mr. Speaker, I would like to point out some corrections in Hansard of 2:00 p.m., Monday, 28th of February.

On Page 368 the correct wording should be, "Only the socialist hordes can get over the wall to get here", meaning the Province of Manitoba, Mr. Speaker, and not "her".

Furthermore, on Page 371, Mr. Speaker, of the same Hansard, once again Mr. Uruski is answering a question and my direction to him was, "Try the truth, Billy", not "Try the fruit".

A MEMBER: He may try both.

MR. D. ORCHARD: I didn't think I had a "lithp".

MR. SPEAKER: Order please. The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Speaker, I wonder if the honourable member could avail himself of the same opportunity to make the correction, the change, of the misleading statement he made in the House, in a speech outside the House.

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. L. HYDE: Thank you, Mr. Speaker, I rise on a point of privilege with regard to the paragraph on Page 399. The first paragraph reads: "The owner under our government was given the authority to build a new 15-bed personal care home".

Mr. Speaker, I would like that correction to read, "50-bed personal care home".

MR. SPEAKER: I thank the honourable member for his clarification. He did not have a point of privilege. The Honourable Minister of Finance.

HON. V. SCHROEDER: Mr. Speaker, while we're up with confessions, on page 384 of yesterday's Hansard, there is an indication that I had made a comment to the Member for Pembina indicating that possibly he was a liar. I would like to apologize for that.

MR. SPEAKER: Order please. I thank the Honourable Minister of Finance for his courtesy to the House.

ORDERS OF THE DAY BUDGET DEBATE

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance, and an amendment proposed to by the Honourable Leader of the Opposition standing in the name of the Honourable Member for Roblin-Russell, who has 35 minutes remaining.

MR. J. MCKENZIE: Thank you, Mr. Speaker. In my introductory remarks I did congratulate our new Clerk. I wish him well and espouse that I am in complete support of the amendment as proposed by my leader to this horrible Budget that the people of this province are facing, Mr. Speaker, and maybe I should put it into the record the reasons that I'm not supporting this Budget.

First of all, the first reason is, because it's failed to portray accurately and clearly the financial affairs of the province - and we saw all kinds of evidence of that again here today - that the financial affairs of this province are not being portrayed in a fitting manner for the people to understand.

The second reason that this government is following a course of fiscal mismanagement that has potentially ruined us - and I will have several remarks to address to that in my speech, Mr. Speaker.

Thirdly, that the government has established a taxation system and an investment climate that discourages job creation, I'll be addressing that, and it has imposed tax increases upon the unemployment and the other low income people to provide one of the largest pay increases in Canada for provincial government employees, which we just heard discussed back and forth, Mr. Speaker.

The last point is, that this government and this Budget has seriously damaged the credibility and has thereby brought the democratic process into disrepute.

Mr. Speaker, the problems with this Budget started at the time of the last election and as I was pointing out in my remarks last night, the people of the province of course made the decision and elected this

government. But as I pointed out so well last night, Mr. Speaker, we the Conservative group in an election campaign told the people of the province what would be the result if they elected this government - and I'm reading from a press release of the Winnipeg Free Press, November 16, 1981 - where on our side we said to the people of the province, we prophesied that if they elected an NDP Government that they would scrap the mega projects. That's the first thing we predicted and that has turned out to be a fact, Mr. Speaker.

The second thing we prophesied, Mr. Speaker, was, there would be no new jobs, that is true, Mr. Speaker, there'd be no new jobs. We also said there'd be no new business opportunities for the people of this province, dead on. We also pointed out to the people of this province there'd be no growth in this province, that is true, Mr. Speaker. We also prophesied, Mr. Speaker, that taxes would go up, right on. We also predicted hydro rates would soar, Mr. Speaker, true. We also promised, Mr. Speaker, and told the people of this province that if they elected an NDP Government that the opportunity to build a decade of prosperity would be lost, right on, Mr. Speaker.

Mr. Speaker, what happened and what are some of the promises that our honourable friends made from this clear choice for Manitobans. They're well-known; they've been espoused over and over again, "We can build a dynamic future in Manitoba". Is that true? It's false, they haven't proved it up to now; they've put the province on the rocks. We can turn around the harsh economic circumstances of the past four years, that's what they said. That's not true, Mr. Speaker.

We can tap our sources of energy wisely, true or false? Not true. We can improve the quality of life in small towns and rural communities. Mr. Speaker, I will point out in my address how you build a wall between Manitoba and Saskatchewan with these crazy tax laws that we've got in this Budget. You mean to tell me that's building the feelings in this province? It's tearing the heart out of them, Mr. Speaker.

It goes on, Mr. Speaker, and I'll not espouse at any great lengths on this document, I may refer to it from time to time in my remarks. But, Mr. Speaker, let's look at the Brandon Sun, what they feel about the Budget that's before us, some of the remarks of the Brandon Sun. Spokesmen in rural - and I've asked the constituency that I represent, Mr. Speaker, western Manitoba - said that they will be hard-hit by this provincial Budget. The Shoal Lake Mayor, Bill Lewycky says, "In western Manitoba unemployment is not a real major concern and the \$200 million for job creation won't benefit too much out here".

Mclsaac from Russell, who has been espousing back and forth with the Minister of Finance as they discussed the possibilities of this Budget and said, "We shouldn't be put at a disadvantage for the sake of raising money". "We, the people that live in Russell, shouldn't be put at a disadvantage to the people that live across in Saskatchewan for the purpose of raising money". Mr. Mclsaac went on to say that, "Our consumers are very much concerned with what's going on with this government".

It went on, Mr. Speaker, with the trucking firms. A trucking firm from Birtle, and I wonder what my friend from Ste. Rose, what kind of message he'd be getting from his truckers now that their fuel is jacked up another

6 cents a gallon. This trucker from Birtle says, Mr. Speaker, "The increased cost of fuel will mean Saskatchewan truckers will have a 15-cent per litre advantage over Manitoba truckers". Is that fair? Is that the kind of a government that we want in this province to give an unfair advantage to one province over another?

Mr. Speaker, why does the government consistently compare us to Ontario? We in western Manitoba have very little access to Ontario. We deal with Saskatchewan and Alberta and I notice from time to time the honourable members stand up and refer to, well we're comparing these tax measures to Ontario, but not to Saskatchewan or Alberta. That is not fair to the trucking industry in Birtle, nor is it fair to the trucking industry in Roblin, or Russell, or Ste. Rose, that the truckers across the border have a 15-cent per litre advantage, that is not fair. The Minister knows it, the government knows it and the Minister of Municipal Affairs knows it.

Mr. Speaker, it goes on and on this Budget. It has taken in my opinion, but a very few short, maybe 15 months for this Premier, this Minister of Finance and this government to completely destroy the immediate future, the economic destiny and the goodwill that's taken hundreds of years in this province to build up. It's been destroyed in a matter of 15 months with these boys in office. Imagine, Mr. Speaker, the aspirations of any young man today, or any young woman, or any young businessman who is looking for a place to hang his hat in this province, walking in here and facing the kind of tax laws and the type of government that we have in office, Mr. Speaker.

Mr. Speaker, this 1983-84 Budget is the most devastating Budget that this province has ever seen, at least since I've been in this Legislature - and I've checked back with as many as I possibly could through Hansard and the library - in my opinion it is the most devastating Budget that the Legislature and this province has ever seen. I say, Mr. Speaker, it's shattered the dreams and the confidence of every citizen in western Manitoba for sure. I have never heard more derogatory comments than I have about this Budget.

Mr. Speaker, it's shattered the confidence levels of Manitoba citizens who want to put risk capital at work in our province, monies to loan, people that have money to loan; people that have money to invest in our great province to the extent that the business community are asking one another today, who would be a fool enough to enter the business community in Manitoba today with this government in office? With that kind of a Finance Minister sitting over there pecking away at their pockets and applying unfair tax measures so that we can't do business in competition with the other provinces, Mr. Speaker.

Mr. Speaker, I don't know. All kinds of Manitobans are wearing these buttons today. Have you seen them around? Socialism - how do you like it so far? I've even seen some of them with bumper stickers and you'll see more of them, Mr. Speaker, because people are already fed up and the morale of the province has hit a new low after this Budget was read into the historical records of Manitoba.

Mr. Speaker, what are some of the things that have described this? What is some of the terminology or the words that this Budget has described? I see it

described in one of the papers as a "cowardly Budget", by that well-known columnist Frances Russell, she called it a "cowardly Budget". It's been called a "bull-headed Budget", I saw that in one of the Winnipeg papers. It's been called a "reprehensible Budget" by another Winnipeg editorial. It's even been called "the worst Budget since Manitoba became a province", Mr. Speaker, that was by another Winnipeg writer.

It has set a new record high for deficit financing in this province with a projected deficit of what, some \$579 million for the year 1983-84 and many experts including my leader feel that it will escalate to well over \$700 million, Mr. Speaker. It surpasses last year's deficit which was a record by what, some \$200 million or more and has increased the public debt owed by every man, woman and child in this province to the tune of \$1,000 per person in a matter of 15 months, an increase to the taxpayers of this province in a matter of 15 months.

It's raised the provincial debt of this province to \$5.3 billion and it's rising, that's all happened, Mr. Speaker, since these rascals took office. So today I daresay, Mr. Speaker, 10 cents out of every dollar that's collected by this Finance Minister is earmarked for debt servicing.

Mr. Speaker, new and unborn children in Manitoba for the first time in my life when they are brought onto this earth, have an IOU hanging around their necks today, that they owe this Finance Minister and this government \$1,000.00. Mr. Speaker, you weren't brought into the world under those economic circumstances and neither was I and that, of course, is part of the penalty that we must pay for socialism, Mr. Speaker, I suppose. Of course, if that's the future of this old tomorrow government, as somebody described it, offers to the newborn and the unborn young people that are brought into life as a result of this Budget.

This Budget also, Mr. Speaker, has built a trade war among the towns and villages along the Manitoba-Saskatchewan border, where sales tax, gasoline taxes and motive fuel taxes are quite different from the one province to the other. We see headlines, Mr. Speaker, in the Russell Banner as an example that says, "NDP Government passes gasoline smuggling laws".

Mr. Speaker, for the first time in our lifetime in Russell and those in Roblin, those in Binscarth, those towns along the Manitoba-Saskatchewan border, we have a trade war going on where one province is overtaxing the people and the other province is taxing them fairly. So you can buy goods and services in the one province considerably lower than the other.

Of course, Mr. Speaker, the border towns, these villages, and citizens residing, I say now are treated as second-class citizens by this Budget and by this government, whereby gasoline and motive fuel, you go across from Russell to Langenburg, it's 10 cents a gallon cheaper in Langenburg. You go over in Langenburg, the sales tax is lower in Langenburg. The same thing west from Roblin, Mr. Speaker. Is that fair? Is that the kind of budgetary practices that the people of this province should enjoy, whereby one province pays higher motive fuel taxes and gasoline taxes than the other?

Of course, the other problem with this Minister and this government is facing in the very near future is that the Province of Saskatchewan has indicated that they are going to lower the sales tax in Saskatchewan. That

was one of their election promises and what kind of a trade war are we going to get on that one, Mr. Speaker? We're raising our sales tax in this province; Saskatchewan is lowering it. They say that's fair. They say, Mr. Speaker, that they are treating the people of this province, especially western Manitoba, fair on matters such as this. Mr. Speaker, I don't think that's the way the people of this province nor the average man in the streets today want to see this Canada built and this Manitoba built under those kind of financial conditions. I think everybody should be treated equally as we possibly can and not have the glaring tax concessions granted to one province and not the other.

I wonder, Mr. Speaker, would you in your wisdom drive over to Saskatchewan and buy motive fuel or gasoline if you lived along the Manitoba-Saskatchewan border. Would you go over into Saskatchewan and buy goods and service where the sales tax was lower there than it is in our province, Mr. Speaker?

It's a strange thing, Mr. Speaker, that province used to have an NDP Government - Saskatchewan. It's strange now that they're penalizing our people here that want to go over there, now that the government has changed. Mr. Speaker, maybe you wouldn't drive over into Saskatchewan for motive fuel or goods and services, but I'll bet you there are thousands and thousands of Manitobans that will drive across into Saskatchewan and take advantage of the cheaper prices that they're offering to their people in that province.

Mr. Speaker, so this Budget, beyond all shadow of a doubt, will certainly hurt the Manitoba business community by these policies. The controls, Mr. Speaker, are just amazing. The penalties that they've brought in to try and control these Manitobans that live in these towns like Binscarth, Roblin, Swan River and Russell.

Mr. Speaker, if they get caught going over there, if they get caught buying more than 40 gallons of gas in Saskatchewan, now they're going to be put in jail, it says here. It says, "Penalties on convictions for failing to report such importations range from fines of \$250 to \$1,500, or a jail term up to a year or both." That's the penalty that we, in this province, pay if we go over into Saskatchewan and buy more than 45 gallons of gas. As well, he must pay double the original tax due. Now, Mr. Speaker, is that fair? Is that the way to build Canada? Is that the way to build this province? Is that the way to make this country united, with those kind of tax measures, Mr. Speaker? I doubt it very much, Mr. Speaker.

Let's go through the problems that we've had with this competition grant assistance policies of this government whereby service stations that want to expand or sell more gasoline along the border, they want to expand their business, Mr. Speaker, they can't do it. That Minister of Finance will not give them the quota of gasoline, so they can't expand those businesses that are along the border of Manitoba and Saskatchewan.

I had the case of one service station ran out gas, their quota ran out in September or October, tried to get an extra quota from the Finance Minister. No, no dice. Of course, Socialism doesn't believe in the expansion of business. How can they, Mr. Speaker, possibly say in this Budget that we're going to try and put people to work, that we're going to expand the

resources of this province, we're going to do all these things when we have those kind of things happening in the Department of Finance?

People that want to expand their businesses - who would want to come in and set up a new business, for example, in Roblin today, a gas station or a garage and try and deal with this Finance Minister? Mr. Speaker, it's impossible.

I was also wondering, Mr. Speaker, would you or any businessman or businesswoman move into western Manitoba today, move into Swan River or Flin Flon or Roblin or Russell or Binscarth or Melita, any of those border towns and open up a business and try and compete with our friends in Saskatchewan under these conditions. I doubt it very much, Mr. Speaker, I doubt it. I wouldn't. Maybe the born losers, Mr. Speaker, would accept such a challenge and fight the barriers and the walls that's been built between these two provinces, but I don't think you would, Mr. Speaker. I'm sure I wouldn't walk in there and set up a new business today under the budgetary conditions and policies of this government. It just doesn't make sense.

Mr. Speaker, the other point of the Budget and the spending Estimates that were tabled by the Finance Minister indicated that this government will have increased government spending in the year 1983-84 to the tune of \$3.326 billion.

You know, Mr. Speaker, when I came in this Legislature in 1966, the total expenditure of the Government of that Day was \$301 million. In this short time, Mr. Speaker, that I've been in this Legislature, government spending has escalated \$3 billion. There was about a million people here in this province when I came here in '66 and it's about a million people today. Mr. Speaker, in '66-67 the spending Estimates of the Government of that Day was \$301 million. Today, \$3 billion, Mr. Speaker. I suggest, Mr. Speaker, that something is wrong. I suspect that something is wrong, that people of this province cannot possibly afford those kinds of escalating government expenditures in this province.

After all, are people getting any better educated today as a result of those expenditures of money, Mr. Speaker? I doubt it very much. There are a lot of students that are unemployed, Mr. Speaker. Our health delivery system, Mr. Speaker, has exceeded a billion dollars. Are there less people dying today because we're spending a billion dollars on health in this province, Mr. Speaker? I doubt it very much. There is time for us to sit back and review and discuss the possibilities of cutting back some of these enormous costs that the taxpayers of this province are asked to bear as a result of this Budget.

Mr. Speaker, I see the confidence of the people in this province, of well-known international firms around the world, who have always had the greatest trust in government and the people of this province. I see them backing away as a result of this Budget.

I just asked the Minister of Finance, Mr. Speaker, do you think Alcan will ever come back to Manitoba under the budgetary conditions that we have in this Budget? Never, Mr. Speaker. They never will. Do you think the aerospace industry will ever come back to Manitoba and set up here under these budgetary conditions? Never, Mr. Speaker. They are not coming back. Do you that CSP Foods, that new plant at Harrowby, now that have all these budgetary problems that this government

has heaped on their shoulders, do you think they wish now they hadn't come into this province, they wish they would have just built across in Saskatchewan? Absolutely.

What about the potash industry? Do you think the potash industry who have all kinds of potash in Saskatchewan will possibly come in and sink a shaft in this province under these budgetary conditions? Never.

MR. H. ENNS: Never.

MR. J. McKENZIE: They'll go across the border and sink it in Saskatchewan. They wouldn't go to McCauley. They'd be fools to go to McCauley and set a shaft today with a government like this in office in our province.

Mr. Speaker, what about the high technology industries that they talk about so much in this Budget? You show me one high technology industry that wants to compete in the world market today that would come into this province under these conditions. They will not come, Mr. Speaker.

I see, Mr. Speaker, I see as a result of this Budget capital investment being scared away as a result of the budgetary practices of this fine Minister. I don't know what's wrong with this Cabinet, what's wrong with this government that they don't understand that foreign capital has to be cultivated, it has to be encouraged, it has to be given concerns that you understand what their problems are, the same as ours. But, Mr. Speaker, I fail to see any indication in this Budget, any way, shape or form that they are looking at the possibility of foreign capital coming into our province to help us get out of these difficult problems that we're facing this time.

Mr. Speaker, if foreign money is continually scared away and chased away year after year by the examples that we've witnessed in this Budget and, if we see it again in next year's Budget, I don't think those people will ever - maybe for decades - come back and take a look at the possibility of vesting capital in this province. This government of course well knows how to pull the rug out from foreign investors. That is well-known.

The other thing, Mr. Speaker, I wonder about the government and its entry into the business community at this time, into the oil business and the insurance business. What a great time for a government, a government that's supposed to represent the people, to get into the oil industry today. When you listen to what's going on in the oil markets last night, the OPEC and the price war that's going on and these giants across the way, Mr. Speaker, this Minister of Energy is going to take \$24 million or \$40 million of the hard-earned taxpayers' money of this province and he's going to wade into that field, in the oil field.

A MEMBER: . . . he's going to borrow it.

MR. J. McKENZIE: Well, he's going to borrow it and enter into that field with oil prices being shattered all around the world and nobody, that I can hear, can give you any indication of what prediction, of what the price of oil. It may go down as low as 20 bucks a barrel. So I'm sure that the resources of this government can take

that big marketplace on and we'll get into the oil business in Waskada and change the whole thing around. Mr. Speaker, what a dream. The same thing applies with the insurance business, Mr. Speaker. I don't see why we need more insurance companies in this province. We've got what? - two head offices here now.

A MEMBER: We had.

MR. J. McKENZIE: We had, eh? One is gone. I've never heard of anybody that couldn't get insurance for whatever item he wanted to insure in this province at the best rate in the world.

MR. A. DRIEDGER: Chase 'em out, Wally.

MR. J. McKENZIE: Nevertheless, Mr. Speaker, the other thing that kind of scares me about this Budget is this \$200 million that's earmarked for - I daresay, Mr. Speaker, there's nobody in this province more concerned and more dedicated to finding jobs for the unemployed than myself. I am most concerned to see in my lifetime what has happened in this world when we have these people, so many of them, millions of people unemployed, a million-and-a-half across Canada today out of work. But I don't think this Finance Minister and this government has taken the right approach to solve that problem.

All you have to do today is take a look at today's Winnipeg Free Press where there is a little pillow talk going along here from one Leslie Spillett who is well known around these halls. She made a comment and she says she laughed out loud when she heard Howard Pawley's suggestion that trade union salary increases be used for job security. "It's the craziest thing I ever heard," said Leslie Spillett of the International Ladies Garment Workers. Farther over, Mr. Speaker, we see Pat McAvo, of the Canadian Association of Industrial, Mechanical and Allied Workers, denouncing the idea, adding that his members are still trying to recover from the Federal Government's anti-inflation board guidelines of the '70's without trying to wading into Howard's new guidelines. He says, "We have nothing to give back," that's what Pat said. She says they're sitting pretty smug already. Now they're laughing, Mr. Speaker.

The other thing of course, Mr. Speaker, that concerns me about the financial structure of this thing is we have the 144 jobs created, which again I guess today's paper, by a news release from the Minister of Labour and do you know what these projects are, Mr. Speaker? It's very enlightening. They're going to put an addition to the rink at St. Malo. Now, isn't that going to boost the economy of this province and put us back on the rails? They're going to do renovations to a church someplace and they're upgrading the rodeo grounds at Selkirk. If that's the kind of projects we're going to earmark this \$200 million for, Mr. Finance Minister, I suggest you better turn it around and start looking another way, because those kind of jobs are not going to put this province and that kind of work is not going to put this province back on the rails again, never.

Then, of course, we find out about the funding down at the bottom and Axworthy says he still doesn't know whether the Federal Government is going to contribute or not, in the same article, and that's what scares me

about the way this thing was put together, Mr. Speaker. It scares me because I suspect that the shopping list that the Minister of Finance has given us is not going to be acceptable to the average citizen of this province when you're talking about building it and putting it back on the rails again. He said the project certainly looks good on paper but, as I said, where is the assurance from the Federal Government that they're going to get involved? You don't have it; neither does the First Minister have an assurance they're going to get involved. Where is your assurance from Mayor Norrie and the City of Winnipeg that they're going to get involved and share any of those programs? Have you got it? Have you laid it on the table? I don't think you have. Where is your assurance from the municipalities of this province that they're going to join in and go hand-in-hand with you on these projects? I don't see it, Mr. Speaker, and that's what scares me, that's what scares me about this kind of a development plan because I don't think this government or this Finance Minister and his Ministers have done their homework on this project. I really don't.

Surely in this day and age, if you're talking the tune of \$200 million, you should at least give us the assurance that the Government of Canada is with you, that Mayor Norrie and the City of Winnipeg are with you and the municipalities of this province are with you. The Honourable Minister could have gone and spoken to the Union of Municipalities in Brandon yesterday and asked him, "Are you with me on this?" I don't think he did, Mr. Speaker, or if he already has they've turned him down because I don't hear that coming from the Minister of Municipal Affairs or from the Minister.

So, Mr. Speaker, those kinds of things concern me and they concern the people of my constituency. Do you want to join the Premier in this kind of a venture plan, 200 million bucks, when we don't have the information, we don't have the details, we don't know what's going on and yet there's \$200 million at stake? What's wrong with the City of Winnipeg? Why aren't they coming out and saying that we're going to help the province and the people? I don't hear that and maybe because, Mr. Speaker, they're strapped for money. That may be the reason. They may be strapped for money worse than this government. They may be strapped for money worse than the Federal Government and that is the reason. I suspect that's the reason why the municipalities are not involved because they are strapped for money.

The municipalities of this province, Mr. Speaker, are looking for new ways. They're even talking and maybe asking this Minister of Municipal Affairs today for him to give them permission to do deficit financing the same as you do with your Minister of Finance and maybe they should have that right, but they are strapped for money. The City of Winnipeg has the same problem and yet, Mr. Speaker, this government comes up with a \$200 million plan. I am most concerned about the way this thing has been put together and what little information we, in the Opposition, and the people in this province have been offered. What about the school boards in this province, Mr. Speaker? What communications have you had with them? I don't think they've had any because I see a notice here from my school board, the Intermountain School Division, are holding their costs down. If they're not they're at least

trying to. That's more than we can say from this Minister of Finance who's allowed his spending to escalate 17 percent. School boards are trying to hold down their costs. Now who's kidding who? Are you going to go on one course and let the school boards go on another course? Is that the mishmash that we're going to put the people of this province in? Or when are we going to start talking, Mr. Speaker?

What's the other choice, Mr. Speaker, what's the other choice? What if the feds refuse? What if Mr. Axworthy says, I don't want no part of it? Then what's going to happen? They haven't told us, Mr. Speaker, they haven't told the 57,000 unemployed people in this province what's going to happen if the feds don't joint you. Mr. Speaker, what's going to happen if Mayor Norrie says, I don't want no part of it; or what if Mayor Norrie says the city doesn't have any money, what's going to happen, Mr. Speaker? What if the municipalities say we don't have any money or we don't have the power with a deficit financing, what's going to happen? Is this government going to go it alone, Mr. Speaker? Are they going to start building railroads to Churchill which is a federal responsibility? Is that what you intend to do with the tax dollars that you're going to borrow? — (Interjection)— Well, I'd like to know, Mr. Speaker, I'd like to know.

Mr. Speaker, we asked them in the question period, how many jobs do you expect to get out of \$200 million? No answers, not a word. We asked them, what kind of rate of pay are you going to pay these people that are unemployed? Nobody told us, we got no answers, Mr. Speaker. The Premier, of course, did announce on Friday, I think, that a subcommittee of Cabinet has been formed. Mr. Speaker, I'm scared of this \$200 million job creating plan, I'm scared sick of it. There's not enough information on the table. This government has not shown to me that they've done anything basically at all, they should change the whole thing around to help these people in this province, the 57,000 people who are unemployed. You have basically done nothing. I can't see it.

You don't have assurance from the Federal Government, Mr. Axworthy; you have no assurance from the City of Winnipeg; you have no assurance from the municipalities in this province, so therefore what are you going to do? You're going to go it alone. Or have you got these assurances? We don't have them, Mr. Speaker, and that's the tragedy. The Premier and the Minister of Finance want us to trust this government. They think that we over here should have confidence in this government. They think that because of these statements that have been made and this Budget that's been laid on our table, that we should go to rest and leave you guys to run this place, Mr. Speaker. I say never, never. Never let a socialist run a government, Mr. Speaker, not this band of socialists, at least.

This province, Mr. Speaker, is in the most difficult times it's ever been in its history. It's bust, the province is absolutely broke. If we let you guys finish out your two more years of office and you don't clean up your spending programs in the next two years any better than you have in the last two years, good-bye Manitoba, and that's a tragedy. I hate to see it happen right here before my eyes.

But, Mr. Speaker, this government and this Minister of Finance, they will not listen to the man on the street,

they don't understand. As I said, Mr. Speaker, we are spending too much of the taxpayers' money in this province, over \$326 billion, Mr. Speaker, that's being spent in this province. When I came here in 1966 as I've said, the Budget, the spending Estimates of the government of that day was \$301 million. I say, Mr. Speaker, I have no confidence in this government and I will be voting against the Budget that was presented by the Minister of Finance of this province.

MR. DEPUTY SPEAKER, Mr. P. EYLER: The Honourable Minister of Government Services.

HON. J. PLOHMAN: Mr. Deputy Speaker, I welcome this opportunity to participate in the Budget Debate. It is my first opportunity to speak since the opening of the sitting and I will endeavour to contribute in a positive fashion to add to what my honourable colleague the Minister of Finance, has done in his delivery of the Budget last Thursday night and also my other colleagues that have also added positively to that debate. Since the opposition, particularly the Member for Pembina, has not had the courage to stand up and ask me a question in this House up to now, or even to allow me to take a question as notice, I will give him the answers today anyway, Mr. Speaker.

Not wanting to infer any other motives I would assume that the Member for Pembina is just a bit shy, and having been a teacher I can recognize that quality, and I'd like to be able to assist him today by providing some background knowledge so that it will break the ice for him and perhaps he will no longer feel so intimidated and will be able to ask a question of me in the near future here in this House. Of course, since having a basic knowledge is a necessity, a prerequisite to asking questions, I will try to accomplish that for all of the members opposite here today.

Mr. Speaker, it is so tempting to be negative in this House, to criticize in a destructive fashion, to hurl insults, innuendoes, such as the Leader of the Opposition and clichés to tear down instead of to build up. It is so tempting to focus, Mr. Speaker, on the contradictions in the Tory position, in their Tory practice, the words and the criticism that they supply with us here; to point out their dismal record from 1977 to 1981, those four long dark years for Manitoba; to also point out the long list of broken promises that they are party to, Mr. Speaker, the broken promises to the Native people, to the homeowners, to the health care system, to the education system; the broken promises to the City of Winnipeg and to the women of Manitoba. They say we have broken promises, Mr. Speaker, . . .

MR. D. BLAKE: I never promised them anything.

HON. J. PLOHMAN: . . . but listen to theirs. They constantly refer to our broken promises. The Member for Pembina referred to them yesterday and he was highlighted in the paper with his litany of layoffs that the Premier promised would not happen, he says, and another member who said that the Budget was a repudiation of the campaign promises of the NDP. But what did they do? Let's look at some of their broken promises, Mr. Speaker. They said in 1977 they were going to study the tax credit scheme for mortgage

interest payments of first-time homeowners, the verdict, no study, no scheme. They said that they would provide low-interest loans to first-time homeowners to encourage the purchase of substandard core area homes, no action is the verdict.

Mr. Speaker, they said that they would review . . .

MR. D. BLAKE: Who wrote that article?

HON. J. PLOHMAN: . . . with municipalities all zoning regulations to simplify and reduce costs of project approvals, the verdict, no action. They said, Mr. Speaker, that they would provide a tax credit system to encourage home improvements, the verdict, no action. They said, Mr. Speaker, they would remove sales tax on house-building materials such as insulation, the verdict, no breaks on insulation.

For the renter they accomplished a promise, Mr. Speaker, they said they would remove rent controls and they did, done in July 1980. Something to be proud of. They said, Mr. Speaker, that they would provide incentives to encourage private sector development of low rental housing, the verdict, no incentives. They said they would provide government rental housing as needed but institute a plan to let tenants purchase units. The verdict: family housing construction ceased in 1979, no such purchase plan. That's just another one of their promises, Mr. Speaker. They said they would eliminate the deficit. They never could get rid of it despite their acute protracted restraint.

They said, Mr. Speaker, they would provide students with basic skills and information. There was no noticeable improvement. Let's look at what they said, Mr. Speaker, with regard to the Natives, the Native people of this province. They said they would develop programs on the basis of direct contact with the communities. The verdict: less community autonomy.

They said they would require all northern development projects to provide clear forecasts of Native jobs and to include Native preference purchasing policies where feasible. The verdict: no such requirements. They said they would support settlements for reasonable and legitimate land claims. The verdict, Mr. Speaker: no such settlements. They said they would provide extension and improvement of local services according to community desire. The verdict: no noticeable improvement. They said they would monitor programs to ensure that administration costs are controlled. What do they do? They laid off 400 civil servants in the Department of Northern Affairs and Renewable Resources to cut administration costs. That was their priorities, Mr. Speaker.

In health care, and I am only going to go through it very briefly, Mr. Speaker, what did they say they were going to do? I am not going to talk about these things, I am just going to run through the list. What did they say for women, Mr. Speaker? They said they were going to ensure equal pay for equal work. The verdict: no action. They said they would increase the number of women appointed to provincial boards and commissions and even Tory women didn't succeed in that case - no noticeable improvement, Mr. Speaker.

They said they would give clerical workers increased access to promotion. The verdict: no noticeable

improvement. They said they would encourage split shifts to help mothers who work part-time - no noticeable improvement. They said they would provide quality control and leadership of day care, Mr. Speaker - no quality control. That comes, Mr. Speaker, directly from the Winnipeg Free Press, Saturday, May 2, 1981.

What did they say to the City of Winnipeg? They said they were going to provide elected community councils with responsibility for local matters. The verdict: no action. They said they would provide a new central council for area wide matters - no action. They said they would appoint a general manager or chief administrator - no action. They said they would let local council set levels of services. The verdict: no action. They said they would permit neighbourhoods to levy taxes for special local amenities - no action, Mr. Speaker. And was that a positive contribution to this Budget Debate? No, it wasn't. Just like the contribution from that other side of the House, Mr. Speaker, it has not been positive; it has been negative right from the start. It wasn't positive, it was not a constructive contribution to this Budget Debate and we've seen that time and again here. All it shows, Mr. Speaker, it proves that two can play that game. Two can play that game and that promises are goals that we all work toward and hope to accomplish and that none of us accomplish them all. That's what it shows, Mr. Speaker.

I referred to my disappointment with the opposition this morning on my radio program on CKDM which I do each morning, if the members of the opposition would like to listen to it.

HON. L. DESJARDINS: What time?

HON. J. PLOHMAN: At 9:35 a.m. on CKDM. I try to keep my comments positive, Mr. Speaker, but I will say that this morning, if I may be allowed to quote from myself, I have to admit that one of my greatest disappointments has been the lack of constructive criticism by the opposition. We, in government, are always anxious to hear suggestions from the opposition but almost without exception they fail to offer anything but criticism.

It's time, Mr. Speaker, for us to look forward, to look ahead, to look forward and to advance our positive policies and programs for the future of Manitoba.

MR. J. DOWNEY: Payroll tax.

HON. J. PLOHMAN: So I will not concentrate on those negative things that I just briefly referred to, Mr. Speaker. I won't concentrate on that negative criticism that we hear coming from the other side, criticism for the sake of criticism. I will talk instead about our future and what we are doing in this province to ensure the future, to make it a better one for Manitoba. During these difficult economic times, our government has put together one of the most creative Budgets in the history of this province, a Budget of compassion for the people of Manitoba, one conceived from a co-operative initiative of consultation. Our government has shown that we believe in Manitoba, that we believe in the people of Manitoba and we believe in the future of Manitoba.

The major thrust of this Budget, the Jobs Fund, demonstrates that our government is willing to attack

the problems that we face, to tackle them head on and to bring together all segments of society in a co-operative way, to work together so they can feel a sense of responsibility when the accomplishments are recognized and are realized in this province, when we solve those problems that we all face in Manitoba and Canada. So we can point to an example, Mr. Speaker, the Manitoba Government Employees Association Agreement. It is an historic milestone. It is only one that a New Democratic Government could have accomplished, Mr. Speaker.— (Interjection)— No, a Tory Government could not accomplish that because they don't believe in consultation. They don't believe in joint responsibility with the labour sector, with business and working together with government, so they could not have taken the initiative that we took in this province, that we have taken with the Manitoba Government Employees Association in a positive fashion to sit down and discuss the problems that we face and to come up with a positive method of alleviating those problems here in Manitoba.

Mr. Speaker, we took a positive approach, a constructive approach, so we don't have strikes and walkouts, shutdowns and the tremendously antagonistic feelings that exist in provinces like British Columbia and Quebec. No, we're working together here in Manitoba, Mr. Speaker, and only a New Democratic Government could have done that. We have reduced the contract from 10.3 percent for 1983-84 down to 7.7 percent, simply by extending the effective dates through negotiation . . .

MR. D. ORCHARD: That's more honest than your Leader.

HON. J. PLOHMAN: . . . and goodwill on all sides. That is a milestone, Mr. Speaker, that is a breakthrough. It is a significant breakthrough; it cannot be overstated. We hope that this can be set up as a model for other labour groups in other segments of the public sector as well as the private sector to work together in the same fashion that we have worked together in accomplishing this agreement, so they can help those who are less fortunate, those who are not as fortunate as the people that are working today, those who are not fortunate enough to have work.

So Tories would have legislated, Mr. Speaker, people would have been in the streets. They would have had confrontation but not with our government. We have turned the tide on those confrontationist policies. We have rejected the Tories' confrontationist policies and we have done more than that. We've established much more.

Mr. Speaker, we have established another very important principle in this province, and that is the principle of dollar settlements, a dollar settlement which gives relatively more to those at the lower end of the pay scale and less to those at the high end. That was an important concept contained in the renegotiated agreement, Mr. Speaker. Most of all, the most significant point in that renegotiated agreement was the contribution of over \$10 million by the government employees of this province to the Jobs Fund. A significant contribution, Mr. Speaker, to the Jobs Fund.

I want to talk for a few moments about the Jobs Fund, the employment fund, which will serve two major

purposes. It will serve to provide jobs now when they're needed most by Manitobans and would also provide long term benefits to Manitoba and Manitobans. It will provide meaningful labour intensive jobs to build our infrastructure, to add to our welfare in Manitoba and to provide worthwhile, needed facilities and structures and services for the people of Manitoba.

I want to briefly give some examples of the kinds of projects that will be delivered by one department, by the Department of Government Services, with respect to the Jobs Fund. Projects that are proposed under that Jobs Fund could be delivered by my department. I think they give an excellent example of a cross section of what we are trying to accomplish with the Jobs Fund in the way of facilities and services, and at the same time, providing projects with a high degree of labour intensity.

There's an addition to the Food Products Development Centre in Portage la Prairie; a new gymnasium for the Winnipeg School for the Deaf. There's a diesel auto shop expansion at Red River Community College and a Learning Resource Centre expansion also at Red River Community College. There's the Fire College renovations in Winnipeg. There's a replacement of the public health nursing stations at Pikwitonei, Moose Lake and Easterville. There's the improvements of the Correctional Centre for Women in Portage la Prairie. Those, Mr. Speaker, are just a few examples of the programs that we're incorporating in that fund. They are not painting fences. They are not make-work projects. They are not brush-cutting, Mr. Speaker. They are meaningful projects that will contribute meaningful jobs for the people of Manitoba.

The list goes on. It expands throughout the province; worthwhile structures; meaningful jobs; water and sewer improvements; roads; hospitals; hydro and telephone improvements; housing; industry; water management projects. These are just a few examples of the kinds of things that will be contained, of what we will accomplish with that.

Where did we find the money for the \$200 million for the Jobs Fund, Mr. Speaker? Where will we find the money for that? Where is it to come from? Certainly, we are asking other levels of government to contribute to matching those funds. Certainly, we have asked other levels of government to do that. Where will we get our dollars, Mr. Speaker? Will we get them only from increased taxes? No, we won't.

A MEMBER: The overburdened taxpayer.

HON. J. PLOHMAN: Will we get them only from an increased deficit, Mr. Speaker? No, we won't. They contributed, Mr. Speaker. They have contributed. There's something far more important that has contributed for those extra dollars and that is reprioritization. Reprioritization.

Let me give you some examples from only one department, the Department of Government Services. How did we free up money for the Jobs Fund, Mr. Speaker? How did we do it? Here's how we did it. Here's the answer. Mr. Speaker, they haven't asked the question, I'll give them the answer anyway.

In terms of energy conservation, over the past year, the Department of Energy, Management and Technical

Services Branch of my department and its building managers have applied numerous, innovative and proven energy conservation techniques to reduce energy consumption in the operation of government buildings. I am pleased to report that we are continuing to achieve 20 percent to 25 percent reduction in energy consumption in government buildings. Relative to the 1979-80 base year, energy savings are now amounting to a cost avoidance of \$3,000 per day. In the 1983-84 fiscal year, the energy consumption reduction is expected to achieve a real saving of \$1.5 million.

With further application of innovative energy conservation techniques, these savings can be expected to amplify over the coming years. An energy efficiency is being built into, Mr. Speaker, the design for new government buildings. Design guidelines are issued to the primary design consultant and energy consumption is monitored upon completion of building projects to ensure design effectiveness.

We've gone to day cleaning in the buildings. An article yesterday in the Winnipeg Sun, "Cleaning During Day is Saving Bucks." Listen to this: "Until this year when the Tories were in government," we can always remember, "some cleaning crews in government buildings had never worked during the day. They kept them in the dark. Those night stalkers are now part of a program that has saved taxpayers more than \$3 million. Day cleaning is one of a number of actions implemented by the government to trim energy costs. One of the most important changes was having some buildings cleaned during the daytime." It goes to say, "Whole buildings can now be shut down at night, cutting electricity and heating costs. 'People have accepted it well,' says Stu Ersel, head of the Government's Energy Management Branch. 'All government buildings will be cleaned during the day beginning later this year.'" There's an example of reprioritization and common sense, Mr. Speaker.

What about the government's lead vehicle downsizing, Mr. Speaker.

MR. SPEAKER, J. Walding: The Honourable Member for Sturgeon Creek.

MR. J. JOHNSTON: I wonder if the honourable member would permit a question?

HON. J. PLOHMAN: Mr. Speaker, I would be glad to permit a question at the end of the speech. It's going to be some irrelevant comment, Mr. Speaker, that's just going to take away from the intent of what we're talking about. Mr. Speaker, I hope the member will give me that question a little later on.

MR. SPEAKER: Order please. I'm having some difficulty in hearing the Honourable Minister. Perhaps honourable members would give him the same courtesy of a hearing that they would expect for themselves.

The Honourable Minister.

HON. J. PLOHMAN: In the upcoming fiscal year, 93 percent of all sedans will be compact or sub-compact models. Greater emphasis is now being placed on sub-compacts than ever before, and no full size sedans are being authorized.

The major policy change of restrictions to the type of vehicles assigned to Deputy Ministers and Ministers assigning them to compact sedan models will also be implemented. In upcoming years, the replacement of executive driven sedans for Crown corporations as well, with compact models will increase the proportion of compact models in the fleet, in both the Crown corporation fleet, as well as the government departmental fleets. This applies to Crown corporations, Mr. Speaker, and there's a greater emphasis being placed on that. For the honourable members, we recognize that they started moving toward compact cars; give credit where credit is due - we are stepping up that program.

In addition to having a lower purchase price, compact and subcompact models are more cost efficient than larger sedans in terms of gasoline consumption and some required maintenance. Fleet station wagons, vans and trucks are also being replaced with more economical fuel efficient models. As well, it is anticipated that a significant number of underutilized cars, underutilized over the past two years, will be recalled. Also a large number of seasonal vehicles will be removed from the vehicle fleet for a significant saving there as well. That is another example of repriorization for the honourable members.

Transportation costs for in-province travel for the Field Services Division will be reduced. Out-of-province travel will also be limited. We will be disposing of a significant number of the employee housing units, Mr. Speaker. There will be a reduction in the office equipment program, a reduction in photo copier costs, reduction in key photo copier costs by utilizing the most economical pricing available under the government's standing offer copier program, and there will be significant savings in the post office branch by changing the methods for sending out certain pieces of mail by placing them together, by distributing through the interdepartmental mail instead of through Canada Post. Simple measures, Mr. Speaker, that save money.

MR. C. MANNES: What does this add up to?

HON. J. PLOHMAN: In working with the Department of Education we are also closing the community colleges where possible during the Christmas week, between December 24th to January 2nd, for significant cost savings on the heat. We have cut back on service contracts and we have cut back as well, Mr. Speaker, in the temperatures of certain government buildings such as the old central vehicle garage, Fort Osborne complex, old Land Titles Building and so on, low enough so that it will save significant dollars in terms of energy but not do structural damage and those are just some examples, Mr. Speaker. I could give more of how we in Government Services repriorized to free up money for the Jobs Fund and there are many more.

I want to deal with another program that was touched on now, Mr. Speaker, to turn to a program, a significant program, that was touched on by my honourable colleague, the Minister of Economic Development and Tourism, the Buy Manitoba Program. It will be my Department of Government Services that will implement that program along with Crown Investments who will be working with Crown corporations to increase the impact of our Buy Manitoba initiatives.

I want to deal with the Department of Government Services, with how that Department of Government Services is facilitating this program. Mr. Speaker, it is not a simple matter.

MR. C. MANNES: How much money are you saving?

HON. J. PLOHMAN: It has taken many months of working together closely with the Department of Economic Development. It is a program that is going to contribute significantly to meeting the challenges of economic development in this province and also to increase the regional balance of trade in this province and development of regional balance.

I am particularly pleased with the input we received from consultation with industry at forums such as the recent Portage la Prairie Summit. This contributed to the overall development - and we're not afraid to admit that we have gone out and consulted - and they have contributed significantly.

MR. C. MANNES: How about the mild winter? How much did that cost?

HON. J. PLOHMAN: Recently my department has been reviewing tendering practices with the intent of making improvements that will allow Manitoba suppliers to more easily compete in the competition for goods and services required by the Manitoba Government. The intention is to ensure that tender sizes and components are suited to the Manitoba capabilities inasmuch as possible, while remaining economically and administratively efficient.

It will also ensure the increased use of generic names so that larger out-of-province suppliers do not receive an automatic advantage through brand name recognition. It will also ensure that performance specifications are used as much as possible to describe the requirements of a product rather than actual physical descriptions. It will ensure that to increase opportunities for rural suppliers to bid on products required for rural localities, tenders indicate the locality where the goods and services are to be used and declare that locality as the delivery point for the goods.

It will ensure as well, Mr. Speaker, that adequate information is made available regarding tender requirements and evaluation and that tender information is appropriately and adequately communicated to achieve all of those results. As well, to provide more support for Manitoba's manufacturers, we have instituted greater flexibility in an element of discretion in this program, into our tender evaluation practices.

Specifically, purchasing authorities within central government departments have begun to identify situations where Manitoba-made products are in competition with out-of-province products and there is a marginal price advantage to purchasing the goods from out of province. In such situations purchasing authorities have been directed to refer those contracts to senior management. Where it is in the best interests of the economic development of Manitoba to do so, the government may exercise discretion and award contracts in favour of Manitoba-made products at a marginally higher price.

Criteria to be used in assessing the merits of awarding a price preference will include extra costs versus anticipated revenues from increased economic activity; will include such things as the significance of the particular industry in the province; it will include the technological importance of the industry and the related jobs; and it will include the opportunity for further expansion of the industry. In some situations a full economic impact evaluation will be carried out and Crown corporations will be asked to adopt similar measures as appropriate.

MR. A. DRIEDGER: John, where did you buy the rug for the Premier?

HON. J. PLOHMAN: That rug was probably ordered by the previous administration.

MR. A. ANSTETT: Absolutely, right on.

HON. J. PLOHMAN: This discretionary approach, Mr. Speaker, to awarding a price preference has been adopted to allow some preference to be shown to Manitoba manufacturers in those situations where it can have a significant impact on Manitoba industry. This aspect of the Buy Manitoba Program will be carefully monitored to ensure that it is meeting the intended objectives. To this end, information related to Manitoba content will be requested on tender documents.

But some may ask, why not a fixed Manitoba price preference? Why not a fixed preference? There are a number of reasons. Price preferences will not be awarded routinely in order to avoid a dependency on price preference from developing. As well, fixed price preferences or guidelines for Manitoba products were avoided to discourage unwarranted price increases and because of the government's desire, not to encourage further provincial trade barriers and as well, the possibility of retaliation against Manitoba's important export business. These inherent weaknesses of a fixed price preference policy have been repeatedly brought to the government's attention. They've been brought to our attention repeatedly through representation from businesses and labour and we have listened.

As announced by the Minister of Economic Development a further initiative of the Buy Manitoba Program will be the introduction of a pilot program of purchasing audits whereby an analysis of the purchasing requirements of specific government departments and Crown corporations will be undertaken to identify new supply opportunities for local businesses, and new opportunities for industrial development projects. As Minister responsible for the Manitoba Telephone System I am pleased to announce that the Manitoba Telephone System has agreed to be one of the first participants in that program of purchasing audits.

As I have said, an important part of this program will be the ongoing monitoring which will take place to ensure that it is meeting the stated objectives. Equally important is the flexible nature of the program - and I can't overemphasize that the flexible nature of the program. We will continue as well our consultative process with business and with labour and are anxious to receive recommendations which can be used for the

improvement of the program over time. As well, a purchasing committee consisting of representatives of the Department of Government Services, the Department of Economic Development and Tourism, Crown Investments and Finance will be formalized and will be responsible for co-ordinating the program and dealing with further policy development issues.

As the Minister of Economic Development and Tourism so adamantly stated we feel it is imperative that the private sector join with this new initiative, joint government, to increase manufacturing activity and jobs for Manitobans. I believe we are making a significant start in this regard.

Now, Mr. Speaker, I would like to deal with another field under my responsibility that of the telecommunications field, the Manitoba Telephone System, briefly. There, too, we are looking forward to guaranteeing the services offered and accessibility to those services offered by the Manitoba Telephone System and to guarantee also an affordable basic telephone service for all Manitobans. Again, I want to provide some information as to direction so that it will provide some tidbits for the Member for Pembina in his questioning. A prominent part of our future will be technological innovation. Only a few weeks ago we saw Time Magazine name the man of the year a computer, which recognized that this important device is going to have an even greater effect in our lives over the next months and years.

As Minister responsible for the Manitoba Telephone System, I have come to recognize that there is a great array of other technology that will play increasingly significant roles in our lives. MTS, through carefully developed field trials and operational practices, has become familiar with the leading edge of communications technology. Coaxial cable and fibre optics as well as satellite transmission and data communications are now the workaday tools of what used to a plain old telephone company.

MTS transformation to a comprehensive telecommunications company has come about, not from the availability of technology alone, but because more and more MTS' customers are demanding a wider range of services to meet the changing needs. We are in a changing society. I believe we are fortunate to have a provincially owned and operated telephone system that has the expertise and foresight to meet that future for the benefit of all Manitobans.

One reason MTS has been able to adapt so well to the changing demands placed on it, and we have to give credit again where credit is due, Mr. Speaker, to the honourable members, is because successive governments in Manitoba have recognized the value and the role of a designated provincial common carrier for telecommunications.

Some governments have threatened that to varying degrees, Mr. Speaker, our government will not. Specifically those governments have stated time and time again that MTS has an obligation to plan and build and operate and maintain an integrated communication system for the benefit of all Manitobans. This policy guidance has required that MTS design its facilities so that they can be used by many customers, for any number of potential users, and that care can be taken to ensure that the prices of services are kept reasonable for Manitobans. In short, the ongoing objective of

Manitoba has been to create a broad electronic highway to service the emerging telecommunication needs of our citizens. The means to that end as recognized by a number of Provincial Governments has been to identify MTS as the owner and operator of that electronic highway. Now, more than ever before it needs . . . and the significant point is, it needs legislative protection against emerging competition that threatens its greatest and traditional revenue sources, that competition which threatens the ability of MTS to meet its primary objective of providing residential telephone service to all Manitobans at a reasonable cost. As well, other sources of revenue must be found to supplement the traditional revenue base pay TV in its broadest sense - and MTS offers such possibilities.

Over the years MTS has built up enormous expertise in the telecommunications field and has not always taken full advantage of it. The formation of MTS with a mandate to operate outside the Province of Manitoba will ensure that the Manitoba Telephone System and the people of Manitoba will gain full advantage of that accumulated human expertise. Now MTS can pursue opportunities as they arise in other countries who need our technology. This will benefit greatly all Manitobans, particularly residential telephone users. Consequently, I want to assure this House that one of the ways our government intends to secure the future of Manitobans is to reassert Manitoba's intent to nurture and extend that electronic highway and to that end to reconfirm MTS's role and mandate over the development and operation of that highway. Manitobans can continue to be assured of the security that this decision will offer them.

Mr. Speaker, I would like to briefly tie together some of the things I said earlier about being positive, constructive and working with Manitobans in a co-operative, compassionate and a creative way for the benefit of all Manitobans and with confidence in Manitoba's future, something that is not demonstrated by our honourable members across the way. I ask the opposition to come forward with their ideas, to cease the pointless venomous bickering and to come forward, Mr. Speaker, with positive contributions that we are so lacking, not just to attack our position but develop a position of their own. It was so clearly and unfortunately evidenced in the words of the Member for Kirkfield Park yesterday when she was asked about whether she was in favour of certain tax changes and she said to the effect that it's not her job to have a position, that it's not up to me to decide whether I'm opposed or not.

A MEMBER: Sounds like a Tory.

HON. J. PLOHMAN: That is what's wrong with this House, Mr. Speaker, that's what's wrong with this opposition. I ask the opposition to live up to their name, Her Majesty's Loyal Opposition, and to make constructive contributions to this debate so that we can move forward together in this province.

Thank you, Mr. Speaker.

MR. SPEAKER: Order please. Does the Honourable Member for Sturgeon Creek have a question?

MR. J. JOHNSTON: Mr. Speaker, the member said he would entertain a question at the end of his speech.

Mr. Speaker, is the \$1 million that the member says that he is saving on the daytime cleaning, will that just offset the \$1 million increased cost admitted by the Minister of Finance that is taking place in the province by not tendering out the other cleaning in provincial buildings. Does one offset the other?

HON. J. PLOHMAN: Mr. Speaker, there are many reasons why the government has proceeded to move to in house cleaning. Certainly, it has provided an equitable wage and a high morale labour force for government buildings, a high degree of cleaning in the buildings. We are pleased with the results of that. But I will say, Mr. Speaker, to the honourable member that the savings that have been accrued over the years with the day cleaning have certainly more than offset the costs that have been in place.

If he's talking about, Mr. Speaker, that one offsets the other exactly, I can't give him the exact details of that.— (Interjection)—

MR. SPEAKER: Order please. The Honourable Member for Swan River.

MR. D. GOURLAY: Thank you, Mr. Speaker. I also thank the Assembly for the applause at the start of this Debate. I appreciate the opportunity to participate in the Budget Debate at this time.

I would also like to take this opportunity to welcome our new Clerk, Mr. Remnant, and wish him well in his new endeavours.

It was interesting to listen to the comments from the Member for Dauphin, the Minister of Government Services. He covered a lot of innovative areas that will supposedly be —(Interjection)— energy saving and cost saving. A lot of it is flailing old straw. We've heard most of this at some point in time in the last 20 years or thereabouts. I can recall as a civil servant we went to sub-compact cars. That didn't last very long and I don't know just how easy it's going to be for the present Minister of Health to get into a sub-compact car, but we'll just have to wait to see how that manages.

The Minister of Government Services also made some statements at the beginning of his speech that the former administration had laid off some 400 personnel in the Department of Northern Affairs. I'd like to correct the record that is not an accurate statement; there was not 400 people in the Department of Northern Affairs ever laid off.

MR. A. ANSTETT: Was the Free Press wrong?

MR. D. GOURLAY: It's not up to me to say whether the Free Press was wrong or not, but I can tell you about the Department of Northern Affairs, that 400 people were not laid off in the department.

Members here will recall that under the former Schreyer administration, the Department of Northern Manitoba had many duplications of services in this province. There was a transfer of some 350 people to line departments in the Province of Manitoba. I would just like to correct the Minister of Government Services for making that kind of statement at the beginning of his speech.

The Minister of Finance commenced his Budget Address by saying employment was the No. 1 problem

in Manitoba. Then he went on to say creating jobs and saving jobs were the most important objectives of the NDP. This is absolutely hypocritical. Since taking office some 15 months ago, there has been 30,000 jobs lost in this province. That's an average of 2,000 jobs a month over the last 15 months; 30,000 jobs have been lost in this province. The Minister of Finance says that the No. 1 project that he has is to create and save jobs. I think he's got his priorities mixed up somewhere. He's already lost 30,000 jobs in the short time they've been in office. Not only that, it's getting worse day-by-day, every day you pick up the paper. Just recently the Bissett Gold Mine states they're going to be shutting down earlier this year. There's 178 people, I believe, that will be laid off from that project.

Dominion Stores have indicated that they're going to be closing out four stores very shortly. It's also been reported in the local newspapers, the same one that the Government Services Minister was quoting from, that Dominion Stores would like to pull up their entire operation in this province. This is not a very positive situation; it's regrettable that this kind of thing is happening in our province.

The present government has introduced a payroll tax. This payroll tax, as I recall, the Minister of Finance a year ago when he introduced it, it was mainly to get at the Federal Government to recover some of the lost transfer of payments that the province was not able to enjoy. Many government departments and municipal organizations were also going to have to pay this 1.5 percent payroll tax in order to get the feds to honour their commitment. We realize, of course, that the feds have not come through with their 1.5 percent payroll deductions, so it leaves the bulk of the payments on the small business operators of the Province of Manitoba. They're the ones that are really getting the brunt of this payroll tax. Certainly, this tax is not going to encourage new businesses to locate in this province.

As the Minister of Finance indicated in his Budget Speech last week, he had hoped that they could have added an additional gross income tax as well as an additional upper level income tax. He said it was unfortunate that Ottawa wouldn't let the province proceed with this kind of additional taxation. This kind of taxation doesn't exactly entice businesses or new operations to become established in the Province of Manitoba to create the kind of jobs that are meaningful and the kind of jobs that we would like to see come to this province.

I would like to quote from Page 4 of the Budget Address, bottom of the page: "But, in November of 1981, the people of Manitoba made it clear that they wanted a government which is not afraid to admit to the problems which are threatening our province, and which is not afraid to confront them directly, in a responsible and creative way, with every resource we can marshal."

MR. G. FILMON: Take the bull by the tail and look him square in the eye.

MR. D. GOURLAY: Yes, that's right. Take the bull and look him straight in the eye, and the people of Manitoba have been getting crapped on. But what did the NDP promise the people in November of '81? Remember

the "Clear Choice for Manitobans," policies of the New Democratic Party? This is what the people were promised by the present government and right on the second page, it was the policies of the Manitoba NDP. Right on the second page is the very prominent picture of Premier Howard Pawley, and he says we can turn around the harsh economic circumstances of the past four years. We can provide interest rate relief and an economic climate to ensure that small business stay in business. We can ensure that Manitoba farms remain in the hands of Manitoba farmers through The Farmlands Protection Act and the letter goes on, and this is signed by the Premier, Howard Pawley.

I know that the present Premier on many occasions had said that orderly development of northern generating stations would commence immediately. There would be an immediate start-up of Limestone. Well, we all know that hasn't happened. Manitoba New Democrats would provide security from layoffs, up to 12 months notice or compensation to employees would be required in the event of shutdowns or layoffs involving more than 50 people. That was another promise that was made to the people in November of 1981.

Our health care system has been allowed to deteriorate over the last three or four years, and so the message goes on and on. So those are the kinds of things that the people of Manitoba were asked to support and they believed that the New Democrats were sincere in making these kinds of promises. So when you really assess all of this, this kind of garbage certainly can fool some of the people but it didn't fool all of the people, thank goodness. But those kinds of political garbage brochures are what gives politicians a bad name.

You look at the recap, the loss of 30,000 jobs that were created during the tenure of the previous P.C. administration and those jobs have now gone down the drain in the last 15 months, but also look at the further losses of job potential that were in the grasps of the new government when they came into office in November of 1981: The loss of the Power Grid which would have created many long-term, meaningful jobs to Manitobans and, not only that, the great economic spin-off that would have been a benefit to all people in the Province of Manitoba; the potash mine that was a near thing in the area of McAuley; and also the Alcan smelter which was making strides to become established in the Province of Manitoba. So really when you're looking at our No. 1 problem, it's really the NDP Government in this province.

MR. A. DRIEDGER: Call an election, Howard.

MR. D. GOURLAY: You know, the Minister of Finance, the Premier and the Minister of Government Services, they continually keep making references to the great Economic Summit Conference that was held last fall in Portage. I recognize this as a good move. I congratulate the government for taking this kind of initiative and getting various interest groups together to consult and provide information to the government. But if the government was listening to what business people were saying, how in the world could the government come up with such a devastating Budget

as they did just a week ago? You know, so many times we've heard about the Economic Summit Conference and the participation by businessmen particularly, and yet a week before the Budget came out - I presume most of the Members of the Legislature Assembly received a letter from the Winnipeg Chamber of Commerce which was analysis of the Government of Manitoba's financial position. Right on the front page of this brochure, they indicate the highlights of this attachment and it says here and I quote (1) "Because Manitoba Government's spending is so out of control, the province faces an imminent crisis regarding the deficit; and (2) this year's budgetary deficit has increased by at least a staggering \$498 million. Well, we know that's been reduced by some 3 million, it's only 495 million now. As a result, the province runs a risk of losing its AA credit rating, meaning higher borrowing costs and endangering our ability to acquire financing. This is a real risk and I think it's an area that we underestimate what the potential we could lose on this item. No. 5, in spite of these appalling circumstances, the government indicates further increases in spending and deficits. To go on, No. 8, the public sector wage increases have been excessive. The public sector must bear its fair share of the ailing economic conditions, a 0-percent increase for those paid from the public purse is appropriate at this time and because of the job security they enjoy.

If you turn over and at the back part of the Winnipeg Chamber of Commerce attachment, they suggest some eight areas in which they would like to see some recommendations to the government. In going over them all, I don't think that the government has really taken heed to their advice at all. So I am wondering what purpose this Economic Summit Conference really achieved when the business people, which some of them are members of the Winnipeg Chamber of Commerce, obviously the Government of the Day has not heeded the advice of this important segment of our community.

The only person I've heard that is happy with the Budget to date is Dick Martin, the President of the Manitoba Federation of Labour. The Premier wrote to all of the municipalities in the province last August, I believe it was, as well as other organizations in the province to hold the line on costs and services. The municipalities responded very positively by agreeing unanimously to hold their cost to a 6 percent limit for one year provided the government would also carry out that kind of spending restraint. Subsequently, this government wouldn't agree; they flatly refused to go along with the municipalities of the Province of Manitoba. Not only that, they went right ahead and provided a 27.5 percent increase to the Manitoba Government Employees Association in a settlement over some 30 months.

Let's just review some of the settlements that have taken place in the last year or so. In the last year, Macleods' employees in this province agreed to take a 10-percent wage reduction.— (Interjection)— Now, if the Premier would only listen to what I am saying. I know that the Premier isn't listening, but the Macleods' employees is a good example where they agreed in order to keep their jobs to take a 10 percent pay cut. They did that and it was a harmoniously arrangement with the company and I understand that since that time

their wages have now gone back to what it was originally. Just today, I don't have any written proof of it, but I understand that the U.S. steelworkers, some 275,000 of them, have agreed to take a 9 percent wage cut and that's responsibility and certainly I don't know how in the world we can justify a 27 percent increase in the wages paid to our civil servants in this province. There's only one source of revenue or funding that this can come from in Manitoba and that's from people out there in the real world that are trying to eke out enough profit to pay their bills, including these huge settlements that the government has seen fit to provide to the MGEA.

As was said before by members on this side, where in the world were the negotiators from government when they allowed this kind of settlement to take place? Certainly you can't fault the MGEA for achieving this accomplishment because that was what they're there for, to try and get the best deal that they can. But it's unfortunate that the government couldn't have held the line on pay increases at this time when many of the people in the private sector are lucky to hang onto their jobs let alone get any kind of pay increase.

The Minister of Finance says, hold it now. The members of Cabinet are not going to take pay increases, they've frozen their wages. This is like the destitute person that goes into a car dealer and he orders a new Cadillac but he decides well, maybe I should cancel the seat covers on it. I would just like to make reference to Page 11 of the Budget. On the second last paragraph on Page 11 it says, "Special Warrants for the 1982-83 year totalled about \$44 million, compared to approximately \$105.5 million in 1981-82. This year's total is the lowest in four years", but there is no reference made to the deficit. There is no reference made to the Supplementary Supply.

During the last four years we had, I'm sure it was in the last four years, we had a very serious drought in this province. I know in my own constituency we had some 200,000 acres burned in the Porcupine Mountains. We had a severe drought the year earlier that all cost money that there was no way you could Budget for these kind of acts of God. So we had floods, we had droughts, forest fires and what have you. So special warrants were obviously required in order to finance those kinds of tragedies that were unexpected and were disaster situations for this province.

The Minister of Finance cites the signing of the new Northern Development Agreement as one example of close federal-provincial co-operation.

MR. H. ENNS: That's what he calls it.

MR. D. GOURLAY: The agreement took the NDP over a year to obtain and the consultation process was already reworked by the previous administration, so when the NDP came into power they decided that they had to again go over the consultation process and they contacted the same organizations, the same people and this cost a lot of money and in most instances they got the same kind of response. If not the same, I know in some cases the Northern Community Council submitted the same brief to the NDP Government as they had submitted to us the year earlier. So there was a great cost went into this consultation process and

when the smoke all cleared the Federal Government said this is what we are prepared to do and nothing more. So programming under the new agreement more or less relegates the province to a back seat with the Federal Government clearly in the driver's seat in this new Northern Development Agreement.

My colleague, the Member for Roblin-Russell, indicated the problems that the gas rebate program had created in his area and certainly the gas situation is a very dicey one along the Manitoba-Saskatchewan border because of the price differential. I have to say that the government recognized that there was a problem there and they provided a Gas Rebate Program to the dealers in western Manitoba that were adjacent to the Saskatchewan border and this for the most part has been appreciated by service station operators in that area. The Rebate Program is so complicated and unfair in many aspects, that I'm sure a more simple, more equitable program could have been worked out.

The rebate system has been very complex and discriminates against some dealers because there is no direct road from their place of business to an outlet directly across the border in Saskatchewan and I'd just like to cite one community that suffers from this Rebate Program and that's Birch River. It is severely discriminated against because it is half way between Swan River and Mafeking. Both Swan River and Mafeking received gas rebates to their service station dealers but Birch River does not enjoy the benefit of the gas rebate system because there is no direct road from Birch River across to Saskatchewan. So Birch River is left an island unto themselves with higher prices of gasoline, so their sales volume has decreased considerably because of the low priced gas all around them.

The community of Cowan, which is further to the east, is outside the rebate area but it also suffers from the program as well because many people that live in the Cowan area and commute to work in Swan River of course take advantage of the cheaper gas in the Swan River community, so the local service station operators in Cowan also suffer to some degree from this rebate program as well.

Another area is a new service station operator at Kenville. He commenced his business during 1982 and although he is closer to the Saskatchewan outlets than Swan River operators, he doesn't qualify for any rebate quota because he came into business after the price differential commenced but he is the only service station operator in Kenville. The Kenville area is a very small community. They require this kind of service in their community but the operator is at a severe handicap because of the restrictions placed against his gas sales and right now he is paying more for the gas than he can actually sell it for. So I would think that it's only fair that operators that especially want to start up now in that western Manitoba area should be given at least a minimum quota to work from so that they can compete with the cheap priced gas all around them.

During the November, 1981 election the NDP promised that if they were elected they would introduce a new Beef Stabilization Program within weeks after the election took place. I just forget the public meeting that the Premier was at and mentioned the Beef Program, the Premier of this Province, the present Premier, had indicated that if they were elected into

office they would have a new Beef Stabilization Program, similar to the one in Saskatchewan, operating in this province within weeks. Well the beef producers waited and waited and in the meantime many fell by the wayside. They went out of business because they couldn't hold on any longer. The Minister of Agriculture finally appointed several of his disciples from throughout Manitoba to investigate and study the problems of the beef producers and report back to the Minister.

MR. A. DRIEDGER: Red Bill.

MR. D. GOURLAY: It was very difficult to get information from the Minister of Agriculture as to who and what producers he talked to in the province. But finally the day arrived and the Minister announced the new beef plan when producers were asked to sign a very restrictive contract if they wished to participate.

Remember you were required to sign before the end of December, 1982 if you were to receive the carrot that was attached to it and, we will supply you with the regulations later when we decide what action we would like to take.

MR. D. BLAKE: Like saying, "I'll still love you in the morning."

MR. D. GOURLAY: The government, known as the "big red beef commission" will have supreme power to change the regulations as they see fit, and so the "big red beef commission" brought in Ten Commandments and the Ten Commandments are - I'd like to quote these Commandments:

1. Thou shalt have no other marketing scheme before me.- "me" being the Minister of Agriculture.
2. Thou shalt not make unto thee, "big red beef commission," any false declarations.
3. Thou shalt not take the name of the "big red beef commission" in vain.
4. Remember the sale of day and keep it wholly for the "big red beef commission," and wholly being spelt w h o l l y.

MR. H. ENNS: And when do we get to the adultery bit?

MR. D. GOURLAY:

5. Honour thy Minister and Director of "big red beef commission."
6. Thou shalt not kill the fatted calf.
7. Thou shalt not commit any gross indecency to "big red beef commission."

MR. L. SHERMAN: But the "big red beef commission" shall do it to you.

MR. D. GOURLAY:

8. Thou shalt not steal from "big red."
9. Thou shalt not bear false witness against thy neighbour, even though he may be a freedom fighter.
10. Thou shalt not covet thy neighbour's beef cattle or anything that has been assigned to "big red."

MR. D. MALINOWSKI: Moses won't forgive you for that, look at Moses.

MR. D. GOURLAY: I would say this Minister of Agriculture is in a rough situation with respect to the marketing plan, the Beef Cattle Program. He's in a rough situation with The Farmland Ownership Act on which we're going to hear many submissions.

Mr. Speaker, I strongly support my leader's motion of non-confidence in this government's Budget. This is a very serious document, one that has all the capabilities of taking us on a ruinous course. The government has lost any credibility, if it had any left, spending up by some 17.2 percent over the last year's Estimated Expenditures. In my opinion, I would say the Minister has failed to produce all the latest details at his disposal. Certainly the Budget is going to rise well above the \$579 million, is it? that was projected. Revenues are obviously overstated. We would require a complete economic recovery during this fiscal year to accomplish a revenue growth of 15.6 percent. That kind of growth would be very welcome but present indicators do not support that kind of optimism. A \$700 million deficit this fiscal year is certainly a real possibility. Mr. Speaker, this government has not demonstrated that it can cope with this kind of horrendous problem created by its very own mismanagement.

Thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: The Honourable Member for Brandon West.

MR. H. CARROLL: Mr. Speaker, for the past number of days there has been a picketer on the front steps of the Legislature - and I'm glad to see him there, it shows that our democratic system is alive and it's well. As I was walking by this morning I got the impression that he is not very fond of the Premier. He indicated to me that he didn't see any difference between Rufus and Goofus in government. I don't necessarily agree with what he's saying but I would say that the man has a wonderful way with words - move over Wayne and Shuster, move over M*A*S*H, we have a new play, Rufus and Goofus.

Mr. Speaker, again I'm going to make one of my short, pithy speeches. Over the past number of days I've heard the government say wonderful things about the Budget and I've heard the opposition tear it to shreds, and again, this is just the way it's supposed to be, this is what the system is about. I heard so many statistics I've got nauseating statistics coming out my ears. I'm not going to speak about any more statistics, I'm going to take off on some tangents. You know the tangents are very easy for me in that I'm not compelled to follow any party line. I can give a kick to both sides of the House and I intend to.

Mr. Speaker, in this short speech, I have selected a theme. I'm indebted to the Honourable Leader of the Opposition for my theme. I apologize to him for taking it without his permission.

The theme of my speech is Cloud Cuckoo Land; Cloud Cuckoo Land, what a wonderful phrase. The Honourable Leader of the Opposition is always throwing it against the government, but I think it's a phrase that is broader than that. I think it may cover certainly all the actions of this House and perhaps may go far beyond that.

MR. H. ENNS: Well, with some exceptions.

MR. H. CARROLL: Well, what relationship does Cloud Cuckoo Land have to our Budget? That's what this debate is about. Well, after listening to a number of days of speeches, there are large areas where there's certainly a lack of reality, both in the Budget and in the criticism. There are a lot of ideas coming from both sides of the House that aren't emanating from a grasp of reality; either it's dogma or Lord knows what it is. It's not reality where I'm seeing things coming from.

The Leader of the Opposition, what does he do? He does what he always does. He trots out the mega projects. Someone should suggest to the Leader of the Opposition that the mega projects aren't penicillin and they're not chicken soup. They indicate a total lack of grasp of reality. The Leader of the Opposition, if he thinks all he has to do to be the Leader of the Opposition is to wheel out these three "never weres", that he of all people is in Cloud Cuckoo Land.

The government in its Budget strayed somewhat from reality too. I'm very pleased that the government has brought in the job program. I think that is the one thing that I'm really happy about. I think we need it. I think it's a proper start. On the other hand - here we go again - I don't think the government has been totally correct in the income end of things.

Just before I go into the income end of it, I'd like to suggest that the government didn't have the guts to remove the 1.5 employment tax. I will admit, for one, that when it came in, I thought it had merit. I've recanted on that after seeing what happened in a year; I wish the government had recanted. I think it would have been more proper.

My second criticism, and this is not a popular criticism, is that we are going to have a shortfall in revenue, as far as I'm concerned. I wish the government had had the guts - I don't like saying this - to raise the sales tax by one or two more points. Sometimes bitter medicine is necessary, and I think we can't have the one without the other. We can't have the \$200 million job programs, which I advocate, without having necessary taxation that goes along with it. As I said, I think the government should have had the guts to put at least one more point on the sales tax. How's this for alliteration; gutless, goofusist government? Mr. Speaker, I'm sorry, if that is unparliamentary, I'd like to retract. I haven't checked Beauchesne as to the term "gutless". Does anyone doubt that I write my own material, Mr. Speaker?

MR. G. FILMON: You better check Beauchesne for goofus.

MR. H. CARROLL: Mr. Speaker, we in this House are not alone being in Cloud Cuckoo Land. Has anybody looked at Ottawa recently? I think they make us look like a bunch of pikers.

From the national level, I'd like to go on to one of my tangents again, to the international level where we see the Superbowl of Cloud Cuckoo Land. I'd like to relate this international level to the local level right back again.

Driving into Winnipeg on Monday, I was driving past Portage la Prairie and I was listening to the news

broadcast. The Honourable Member for Portage la Prairie invites me to drop down, but the only thing that would stop me could be the odor of the onions that are having to be buried near Portage la Prairie. This is what I heard on the radio many, many hundreds of thousands of tons of onions are having to be destroyed. At the same time as they're burning and burying onions, we have thousands and thousands and thousands of people starving to death all over the world, even some in the United States, all at the very same time. Are the governments of the world dealing with this? Of course not.

It seems as soon as intelligent, sensitive people get into government, they lose all their intelligence and all their sensitivity. They lose touch with reality, Mr. Speaker. We're back at the Cloud Cuckoo Land syndrome. Are the real world's problems so difficult that all governments have to retreat from reality? I fear that the answer is probably yes. The present government in Manitoba is no exception, Mr. Speaker.

MR. SPEAKER: The Honourable Member for River East.

MR. P. EYLER: Thank you, Mr. Speaker. Last night the Member for Portage made a comment which I really appreciated, sitting here as I am on the somewhat opposition side of the House. He characterized our Budget as an "if" Budget. I immediately thought of Rudyard Kipling's poem, "If you can keep your head when all about you are losing theirs and blaming it on you."

That's exactly what's happening here in this Budget debate, Mr. Speaker. The opposition is losing its head and blaming it on the government. Mr. Speaker, it's obvious to everybody that one of the major problems we've got in Manitoba is unemployment. Everyday we hear the opposition rattle off statistics as if they were rubbing the nose of this government in those statistics. That would be a valid criticism, Mr. Speaker, if, in fact, we were doing nothing to help the unemployment situation in Manitoba today. The fact of the matter is, Mr. Speaker, that we are concerned with unemployment and we are doing something about it.

Between 1978 and 1982, there were some 6,000 jobs lost in the construction sector and we started last year to find work for people to restore these jobs through accelerated capital spending and the Homes in Manitoba Program. We have put many of these unemployed construction workers back to work. However, you can't build an entire economy on the construction industry and that's why this year we have a job fund. This year we want to bring in programs that will stimulate manufacturing and energy and transportation and even the arts. We have a wish list that's what the Minister of Finance calls it that's what it is. It's a list of projects solicited by the Government of Canada for their participation on a cost-sharing basis.

Now, Mr. Speaker, the opposition wonders why the Federal Government would want to cost-share in any of these projects and it's really quite obvious since December the Minister of Finance at the Minister of Finance's Conference outlined three major points which he felt was necessary in order to get the economy back to work. First was a significant reduction in interest

rates to serve as an inducement rather than a retardant to the consumer to investor spending. Luckily we've seen some action on that front luckily because it's not a policy matter for the Federal Government it's just pure luck.

The second point of recognition by all governments of the need for fiscally stimulative deficits. At times like these there can be no fear of the specter of crowding out worthwhile private sector investments and third the initiation on a co-operative basis of a massive capital spending program on useful works to create employment now and serve more effectively the needs of the economy in the recovery period. Now, Mr. Speaker, as one of the democratic socialist governments in Canada we are the only one that showed leadership in this area and slowly the other Provincial Governments are coming around to that and you have to admit they are Conservative. They are following the leadership of Manitoba. The Federal Government is following the leadership of Manitoba they are acknowledging the responsibilities that governments must play in stimulating the economy.

The second reason we have to believe that the Federal Government will participate in these projects is that if you look at the federal capital expenditures over the last few years you will find that as a portion of their spending throughout Canada it's declining. In 1979 Manitoba got 5.8 percent of the Federal Government's Capital Expenditures, in 1980 and 1981 we got 5 percent and in 1982 we got 4.2 percent. On a relative basis Manitoba is losing, it's about time that the Federal Government bring up its funding of capital projects in Manitoba to its historic levels. There are two reasons, those are the reasons we believe that the Federal Government will participate in shared-cost capital expenditures and that's why we've created a \$200 million job fund. \$200,000 million isn't going to put everybody back to work and we don't claim that it will but it will provide much-needed jobs in the economy today and of this \$200 million, Mr. Speaker, \$10 million is a contribution from the MGEA.

Now, this agreement has been misinterpreted either willfully or irresponsibly by the Conservative Opposition. The Member for Rhineland went on TV and characterized it as a 27 percent raise over 30 months, the next 30 months and that is obviously false. But did the Member for Fort Garry correct him, no, he let him proceed. They went on and discussed on TV the merits of a scheme which did not exist. Now, perhaps my colleagues think that this is a terrible way for you to behave but actually I'm rather appreciative because I believe that your overreaction to this agreement did more to help the MGEA decide. Mr. Speaker, I'm sure that the Conservative Opposition's reactionary stance on this agreement did more to help the MGEA decide to accept this agreement than anything the Provincial Government could do.

The fact of the matter is, Mr. Speaker, it's the next 18 months that count, if you want to go back and say 30-month agreement, 27 percent, that's a year in the past. Why not go back another two years and say it's 51 percent over 54 months? That would be stretching your credibility. I know the opposition would not do that. However, Mr. Speaker, the fact is that this year's 10.3 percent increase was delayed by three months, which means the effective increase this year is 7.7

percent and in the first three months of next year there is 0 percent and in the second three-month period 1.5 percent. \$10 million was saved this year for government expenditures for placement in a job creation program. One of the guarantees that we gave in return for these concessions, Mr. Speaker, was a guarantee of no layoffs. We've heard the Conservative Opposition say that we've lost our manoeuvring room, that we don't have any more options, we can't do anything now, our hands are tied. Well, what did they expect us to do with the Civil Service? We have, on a per capita basis, the third smallest Civil Service of any province in Canada.— (Interjection)— The Member for Tuxedo says, "No thanks to us," but I would remind him it was already at that level in 1977 when he took office. Mr. Speaker, we made a promise to the MGEA and our promises will be kept, we don't intend to say that no civil servant needs to fear for his job and then go slashing and hacking away at the Civil Service with all the surgical delicacy of Jack the Ripper.

HON. J. PLOHMAN: Doing research on everybody's background.

MR. P. EYLER: Mr. Speaker, on Friday the Member for Charleswood described "hypocrisy" and he described it, I quote: "It means saying one thing and doing another". He also said, Mr. Speaker, "I believe that it is worthwhile to flush out hypocrisy whenever you can find it." No doubt that explains his continually flushed visage.

Mr. Speaker, one of the things that we had to overcome when we came to office was four years of poisoned relations with the MGEA, four years of bickering and fighting between government and employees. What we've done is establish a precedent for all the other governments in Canada to follow. We have negotiated an agreement. This is the only negotiated wage concession of Civil Service of any Province in Canada. We didn't bully, we didn't threaten, we didn't legislate, we negotiated and that's the difference between the social democracy point of view and the Conservative Governments of B.C. or wherever.

Mr. Speaker, this MGEA settlement has implications for all the wage settlements which are coming in this Session. One of those is going to be the MLA's salaries. Under the Statute, we have cost-of-living escalator in our salaries which would amount to 8.8 percent this year, but we believe, on this side, that that's unconscionable in light of the MGEA Agreement. We believe it is not fair to take more than the Civil Service. J.S. Woodsworth had a motto, "What we want for ourselves, we wish for all." Well, that motto works in reverse, Mr. Speaker, "What we wish for the MGEA, we will accept for ourselves."

The objective of this exercise, Mr. Speaker, in negotiating wage concessions is obvious. We do need the money, we realize that, but we don't need the money to balance the Budget, we need the money to help create other jobs.

Now I know that the Conservative Party is philosophically opposed to deficits of any kind. They'll accept them when they have to, they've done it and I know that they respect and admire the American economy. But look at the example they've set down

there. The lunacy which prevails of slashing at social programs, cutting taxes for the rich on the theory that the economy is going to boom and what happens, you have complete chaos. Pure lunacy, Mr. Speaker, and yet it's exactly what these lesser moonbeams from the greater lunacy are proposing in the House today. Cut, cut, cut.

Mr. Speaker, the credit rating is one of the things that the opposition has criticized. The fact that Standard and Poor's has put us on a credit watch. Now, obviously we have to have some concern on our credit rating, but the fact is, we were elected to serve the people of Manitoba and not the people of Standard and Poor. The credit rating is important. Yes, the Member for Pembina says, there's a difference. There is. Let's listen to some of the reasons that Standard and Poor issued when they put us on a credit watch.

The Leader of the Opposition on Friday said and I quote, "I'm not going to read it all because it's a voluminous document, but I am going to give you portions of it, Mr. Speaker". Isn't that just like the leader? He reads a half statement and passes it off as pure truth. What didn't he say? Here is one thing he didn't say in the Standard and Poor Report and I quote, "Susceptibility to large revenue swings has increased because federal transfers have declined to 37 percent of total revenues in 1983 compared with 42 percent in 1979". Now, Mr. Speaker, last year the Minister of Finance announced that this province would be losing about \$720 million in federal transfer payments over the next five years. This year that amounts to \$100 million. Under those circumstances, what could we expect the Conservative Opposition to do? What would they do if they were the government? I wonder. They say call an election. In the last election campaign the Member for Fort Garry promised universal dentacare. They wouldn't provide it now.

If they were in power, they would do the tried and trusted procedures, slashing and hacking away at the Civil Service, cutting social services and they would throw the unemployment back on a stagnant private sector. That's why this whole Budget Debate we've heard nothing but cut, cut from the Conservative Opposition. But, you know, Mr. Speaker, next week we are going to have Estimates, and it's going to be an entirely different story then. Then we're going to hear spend, spend, spend. Maybe not all of them. The Member for Sturgeon Creek who's moved his seat says he doesn't want anything for his constituency. That's fine. If he doesn't represent his unemployed, that's okay. They elected him. But you're going to find the Member for Pembina saying, we have to have more highways. We need more spending on roads especially in my constituency. The Member for Morris is going to say, we need to spend more money on drainage ditches. The farmers in my area need it. They have to have more drainage. The Member for Fort Garry is going to find plenty to criticize in the health budget. Maybe he'll want more ambulances, who knows. The Member for Tuxedo you can bet, is going to say you should have given more money to private schools. That's going to be his big issue. Give more to the private schools.

What about the Member for Gladstone? This is interesting. Just before Christmas the Member for Gladstone says, "All I can say to the Minister of Urban Affairs is, for God's sake don't cut the library budget,

don't cut the library allotment". The public libraries, Mr. Speaker, have always been underfinanced and have never been able to give the service they wish to the people of this province. Well, who can refuse an impassioned plea like that?

Mr. Speaker, what are we going to cut? They won't say now, and next week they're going to say spend more. I think it was one of the best ideas we ever had when we decided to bring in the Budget and the Estimates at the same time. This way it will be crystal clear to the people of Manitoba the extent of the hypocrisy, the political grandstanding practised by the opposition in this House. Spend, spend, spend, next week; cut, cut, cut this week; and their leader, Mr. Speaker, said, hypocrisy means saying one thing and doing another. I would expand on that. It also means, trying to have it both ways. Trying to spend and cut at the same time.

Mr. Speaker, nobody likes to raise taxes, but they are necessary from time to time. Last year there was a payroll tax and you would've thought from the opposition that it was going to create the worst kind of inflation this country had ever seen. What happened? Winnipeg had the lowest cost-of-living increase in Canada of all the major cities last year. There was not any inflation due to the payroll tax.

Mr. Speaker, this year we're raising taxes of course, what else do you do when you lose revenues like 100 million from the Federal Government? But what do they think of these taxes?

Yesterday, Mr. Speaker, the Member for Springfield asked the Member for Kirkfield Park, "It was unclear from her remarks when she was speaking on taxes on alcohol and hard liquor, whether or not she was saying she was opposed to those tax increases. I am wondering if she would clarify that". She said, "Mr. Speaker, it is not up to me to decide whether I am opposed to it or not". Mr. Speaker, who is it up to to decide this matter for her? Who makes up her mind? Is it the Leader of the Opposition? What will she do when the leader is gone? Then who will she look to, how will she choose a new leader?

Mr. Speaker, it is obvious, you can't have things both ways. You can't say, spend, spend, spend and cut, cut, cut. Conservative Party is a both-ways party. In the west they're Conservative, in the east they're Progressive and they thought that somehow by combining the two together and calling themselves the Progressive Conservative Party they would be a national party. But they're not. That's exactly why they can't keep a leader. You can't keep a leader if you've got two factions fighting it out. You're not a party, you're a collection of, opinionless in some cases, individuals.

Well, Mr. Speaker, the Budget may not please the opposition; the deficit may not please the opposition; but it's their duty to criticize in an intelligent manner and in a useful, informative and helpful manner. But they aren't. We have already stressed the two reasons we have brought in the kind of Budget we have. They are (1) to maintain social services at the best level possible in these hard times, and (2) to help create new jobs. Now under those circumstances, I think the people of Manitoba know what the Conservative Party would do in the same situation of a recession. They know that whatever the Conservatives say about cutting or spending, they can't believe. They know that they

were fooled once by the Conservative Party and they won't be easily fooled again.

MR. SPEAKER: The Honourable Member for Tuxedo.

MR. G. FILMON: Thank you very much, Mr. Speaker. It's always a privilege to stand in my place and to have an opportunity to discuss important issues, important issues such as the Budget, things that affect the lives of all Manitobans and this is one of the debates annually in this House in which we can give our advice and our information to members on a wide range of topics and not be confined to specific issues at hand but to cover all of the various comments that we might have about the government's activities.

The Budget Speech of course is one that stimulates a great deal of discussion because it, more so perhaps than anything, shows differences between parties, differences in philosophies, differences in approach between a government and an opposition, government and a former government and this is no exception. In short, Mr. Speaker, if I were to summarize my comments I would say that this Budget, like this government, gives us nothing to recommend it.

HON. A. MACKLING: You've got one member supporting your leadership.

MR. G. FILMON: That is more than you have.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. G. FILMON: The Acting House Leader on the government side seems to be very vocal today; he seems to take exception to everything that's been said on this side. Perhaps his skin is a little too thin from the beating he's been taking over the past year and the reduction in responsibility he's been given.

Mr. Speaker, although many of the things that are said in the Budget Speech are often repeated . . .

HON. J. PLOHMAN: You've lost a bit of responsibility yourself.

MR. G. FILMON: Mr. Speaker, I wonder if the Minister of Government Services could restrain himself, he seems to be very very excited today because he's had his first opportunity to speak this Session, I wonder if he could restrain himself.

Mr. Speaker, although we all have various things to say about the Budget and much of it is a repetition of what has been said before, obviously some of the things that are said bear repeating. Some of the things, of course, are said from a slightly different prospective because we all represent different constituencies and we all find something that is slightly different in our approach about the Budget.

One of the things that happened when we left office was that, as all of us do, reflect upon what would be different in our roles in opposition versus our roles in government, and I know that some of us talked about what we would find most difficult in the change from being a member of government to the role of being a member of the opposition, and of course you know you talk to friends, you talk to family and everybody

gives you a slightly different view. Some said, "Well, I'm sure you'll find it very difficult not to have that nice big office that you had in the Legislature," and I said, "No, that wouldn't be difficult at all." Others said, "Well maybe you'll find it difficult not to have the late-model car that you get when you're a Minister of the Crown," and I said, "No, I don't think that will be too difficult." The four-year-old family car serves just fine, thank you very much, and it's still serving another year and one-half later just fine, unlike the Premier who has a new automobile that saves him, so he says, money, I've chosen to save my money by letting the four-year-old car become a five and one-half-year-old car. That's not what I said would be difficult. What I said I thought would be most difficult would be to be critical and negative all the time. I felt that was just going to be a very difficult thing because in the past, as a member of City Council on two terms I found that I was on the majority side and we were always coming forth with policies and defending them. As a member of the government we put forth our policies and believed in them and defended them and I felt it would be very difficult to be critical and negative, but I didn't realize how easy it was going to be.

Of course, I didn't anticipate what a terrible job this government would do right from Day One. I didn't anticipate how this government would not only just be guilty of rooky mistakes but how this government could be shown so quickly not to have anything upon which the public can rely.

Mr. Speaker, all I would have to do, standing today debating the Budget, would be to take the very things that they have said in the past and repeat them because all that's necessary is to read back to the members opposite, Mr. Speaker, the things that they said during the election campaign, and it's been done already by many members on this side, how they would turn around all of problems of this province, and it's embarrassing obviously for those members to sit and listen to what they said they were going to do when they were campaigning for office in 1981. But one doesn't even need to come with any material other than read back their material. That was in the first year. All we did was read back to them their promises, the "Clear Choice for Manitobans". One short year later all we have to do is read back to them all they said in last year's Budget Speech compared to what they're saying this year and it's been done already. It's been done to the Minister of Finance, where a number of my colleagues read back to him the things that he said were so regressive, were so reprehensible about taxation and finance in this province; how he said that a sales tax increase would be regressive and that significant compensating measures, such as additional exemptions or cost of living tax credit increases would be required to ensure that an increase would not become an unfair burden to lower income Manitobans.

One year later he brings in a sales tax increase with no significant compensating measures and he makes no apologies for it. He's changed his mind all of a sudden. One year ago he complained about the ad valorem tax on gasoline that our government had put in, saying that 20 percent was unreasonable, was too high, they were going to freeze it. One year later he brings in a 1.1 percent per litre increase in the gasoline tax that brings it right back up to 19.6 percent, almost

the same as 20 percent you might say and he finds that's not unacceptable, that it's quite normal and quite necessary.

He then, last year, talked about the levy on post-secondary health and education, the infamous 1.5 payroll tax and he said, "The levy for health and post-secondary education would apply only to employers. No employee would be required to pay the tax. Moreover, unlike the sales tax on individuals, the levy for health and post-secondary education on employers is a deductible expense for federal and provincial income tax purposes, without the net impact on the employer being cushioned substantially." Except he forgot that in our difficult times today in Manitoba, many businesses aren't paying income tax at all. He told us that just this fall when he brought in his Second Quarter Report and he said that the reason revenues were down was because income taxes were down from corporations and individuals. All of a sudden he got a big surprise that when businesses aren't making money, when they're having difficult times, they don't pay any taxes. Well, people are being laid off and they don't have jobs. They don't pay any taxes. That's quite a revelation for this government. It just shows how easy it is to be critical, because they just didn't know what they were talking about a year ago and I doubt that they've learned anything in the past year. In fact, many people are saying that they haven't.

He says that it might be argued that part of the costs of the levy for health and post-secondary education could be passed onto employees in reduced wage settlements. However, if some shifting is assumed, and that is largely hypothetical, the effects of the levy for health and post-secondary education appear to be superior to the sales tax option.

I want to tell you that assumption that he says is largely hypothetical is exactly what's causing the strike in the health care field today. That's exactly what the leader of the union, George Smith, is saying. He says, I don't understand why we're being restrained. He says, the government has given 7.5 percent to health care institutions to settle with us, but they're only offering us 6 percent. You know why? Guess why, because the 1.5 percent has to go to pay the payroll tax. So that's exactly what's happening. It's being taken off the amount of money that was given for the settlement and those employees are getting it, are not getting the whole amount, because 1.5 percent has to go to the settlement for the 1.5 percent payroll tax; and that's why you've got people on strike today, because they don't understand what they were saying a year ago. All of a sudden their tune has changed.

I want to tell you something else. I'll read back or I'll tell you what they said was wrong with our administration when they were in opposition. These are some of the criticisms. These are some of the criticisms that they laid at our doorstep.

They said that the biggest problems in Manitoba were lack of jobs, lack of growth, lack of economic development. Well, we had 30,000 new jobs in the manufacturing sector during our four years of office. They've got 30,000 less people employed today in only 1.5 years of their administration. Our job creation, our activities were full-time permanent productive jobs. Theirs are short-term, whatever jobs they are creating, and those are hard to identify. Not even the Minister

of Labour could identify them. Theirs are all short-term make-work jobs at public expense.

They said that our growth rate wasn't enough; but at least we had real growth while we were in office. They don't have real growth. Despite the fact that the agricultural sector had record crop yields during the past year, they still got negative real growth in this province.

They said our unemployment numbers were unacceptable. They criticized them. Today, they're double what they were. This is just 15 months into their administration, and they're still rising, Mr. Speaker.

They said that bankruptcies were too high, that we were having too many bankruptcies in this province. In the very first year of their administration, farm bankruptcies were up 380 percent; business bankruptcies up 75 percent in the very first year.

They said that housing starts weren't good enough under our administration, that we weren't getting enough housing starts.

Look what happened in housing in the very first year of their administration. Well, we've had some very positive things happen in terms of things that should stimulate housing development. Mortgage interest rates have almost dropped in half. They've gone from about the 20 percent range to about 11.5 percent in their very first year of office. Now, that should stimulate housing growth. They have committed, according to them, \$50 million of public funds in this first year for housing development. It's not really true, but that's what they say they've done.

In the rental housing sector the vacancy rate is half of what it was when we were in office. Presumably, all these things should lead to a stimulated housing market. But what's happened? Housing starts were down 25 percent in their first year of office. Despite all of these positive things in their favour, housing starts in Manitoba down 25 percent.

Well, Mr. Speaker, that's all I have to do is stand here and read back what these people said they were going to do when they were in office, what these people said was wrong with our administration when they were in the opposition, and what they said in their Budget last year versus what they're saying this year. It's not very hard to be critical of people who are so far out of touch with reality.

Mr. Speaker, we've had a number of speakers from the government side try and defend this Budget. They are having a great deal of difficulty, Mr. Speaker. Many of them are not able to speak at any length at all about the Budget because they're finding it difficult to say anything that's worth saying in support of this Budget.

The Minister of Government Services gave us a tremendous lecture today about what repriorization really means to this government, because I'm sure that we, like most people in Manitoba, didn't understand what repriorization meant. Well, today he told us what repriorization meant. Does repriorization mean choosing different options, like most people think it does? Does it mean choosing different programs and choosing to do different things with your money? No, it doesn't. What it means is that you just do the same things in a different way.

He told us about energy consumption savings. He took credit for energy consumption savings that are ongoing things that are being done by everybody in

society today: more insulation; changing their mechanical electrical systems so that they don't consume as much energy. All those things that private individuals have been doing for years, his civil servants are now doing, and I give them credit, because that's an ongoing thing that they ought to be looking at.

He told us about the different automobiles, the smaller automobiles. That's been done. I tell you that's why the North American automobile market has had such difficulties, because people for years, the consumer has been choosing smaller cars, smaller automobiles. Now, he's just telling us that this is their great new idea that they're using and it's repriorization.

He told us that they're cleaning in the daytime instead of at night; but that's not repriorization. You haven't chosen not to clean the buildings. You're just doing it at a different time. That's not repriorization. You're doing the same things. I'll give the civil servants credit for finding more efficient ways and perhaps less costly ways of doing it, but I'll give the government blame for making the policy decisions that cost money.

What are the policy decisions? Not contracting out their building cleaning, cost in the millions; not contracting out their security people in it, cost - millions of dollars. Those are the decisions that the government takes.

The civil servants are saving us some money because they're finding more efficient and more effective ways, but that Minister and his government are costing us money by their priority decisions, by their decisions at the policy level to spend more money, not less.

Let's take a look at how much he's really saving by all of these repriorization activities. I just took a look while he was talking. Do you realize that at the operating side of his Budget in the Department of Government Services, his Budget has gone up from \$48.2 million to \$55.4 million, it's a 15 percent increase. That is what his repriorization means, spend more money. It doesn't mean anything to help the taxpayer, the poor beleaguered taxpayer isn't getting one whit of benefit out of it, because his repriorization means spending 15 percent more on the operating costs of his department.

I tell you it's absolutely ludicrous and more so than, that this Minister who brags about repriorization in his department, what other landmark decisions has he made to save the taxpayer dollars? How about in the Manitoba Telephone System where the staff, where the management, the administration, came to him and said we can save you significant money, we can save the taxpayer, we can save the ratepayer of the Manitoba Telephone System considerable money - I think it was in the range of \$6 million - and what they would do because they have a reduced level of economic activity in this province as we're all well aware, and that means that fewer telephone installations are taking place and there is much less activity for many of the people who are employed by the Telephone System, so they decided that they could save something like \$6 million by perhaps work-sharing, by perhaps having them take some additional time off without pay, so that they could all save their jobs. They weren't talking even about layoffs. But, what did this Minister say? He said, no; he said absolutely not, we're not going to get involved with that, we're not going to force anybody to perhaps have a shared work day or to have their activity spread

he said absolutely not, we're not going to get involved with that, we're not going to force anybody to perhaps have a shared work day or to have their activity spread out over a little more time so that they would take some time off without pay, they'd preserve their jobs, they'd save \$6 million for the ratepayers. But not this Minister or his counterparts or his colleagues, they would not go along with it; that's their idea of repriorization; that's their idea of saving the taxpayer money and it's absolute nonsense and it just shows how much faith the taxpayer can put in anything that he says about saving money for them.

Now, the Member for River East gave us another little lecture about what his government was doing and he said that the criticism of high unemployment statistics would be valid if they weren't doing anything to try and help the situation. Well, I have news for him. Your government is doing worse than doing nothing, it's doing all the wrong things. It's implementing all of the job-destroying moves that have caused the unemployment rate to go way up, that have caused 30,000 more people to be unemployed in this province in only 15 months.

That 1.5 percent payroll tax, for one, has driven people right out of this province, has put people out of business, has destroyed jobs that you will never be able to recover from.

Mr. Speaker, I have a letter here from a constituent who tells me about the effects of the New Democratic Government's policies upon his business. He had four businesses just up until a year-and-a-half ago, he had four activities going that were all employing people. He had started with nothing, he was a wage earner who decided to make a little bit of an investment and get some things going in this province and this government came in and in two quick moves, one being the fact that they increased the minimum wage and wiped out the differential for the people in the service industry

and the second one was the 1.5 percent payroll tax, he went down from four locations to one in 15 short months of this government. Along the way he laid off people, they're now on welfare and that, Mr. Speaker, is what happened as a result of this government's job destroying activities and that's why what they are doing is worse than doing nothing at all, Mr. Speaker.

He said just a moment ago that we wanted to have it both ways, we wanted to be able to argue for greater expenditures on the one hand and argue for cost savings on the other. Well, I want to tell you his party was the greatest one for wanting to have it both ways and today we're getting some of the truth. We did in question period today, they argued that we were the greatest penny-pinchers, the greatest skin-flints, we were robbing this province, our restraint was having such effects and today the Member for Elmwood says that we gave too generous settlements.

The Minister of Health argues that the levels of staffing that his government is maintaining are equal to those that were under our administration so now we become the bench mark for the health care system in this province and he's happy to say that he matches the things that we set in place in health care. Well, you can't have it both ways either, I say to members on the other side, you either have to tell us that what we were doing was saving money for the province and we were doing a good efficient job of running this government or you can't say that we were overspending, Mr. Speaker. You can't have it both ways.

Mr. Speaker, we've had other examples from other of the members on the government side who've gotten up to try and defend this Budget.

MR. SPEAKER: Order please. The time being 5:30, I'm leaving the Chair to return at 8:00 p.m. When we resume the debate the honourable member will have 17 minutes remaining.