



**Third Session — Thirty-Second Legislature**  
of the  
**Legislative Assembly of Manitoba**

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**DEBATES**  
and  
**PROCEEDINGS**

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33 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, Hon. Andy	Springfield	NDP
ASHTON, Steve	Thompson	NDP
BANMAN, Robert (Bob)	La Verendrye	PC
BLAKE, David R. (Dave)	Minnedosa	PC
BROWN, Arnold	Rhineland	PC
BUCKLASCHUK, Hon. John M.	Gimli	NDP
CARROLL, Q.C., Henry N.	Brandon West	IND
CORRIN, Q.C., Brian	Ellice	NDP
COWAN, Hon. Jay	Churchill	NDP
DESJARDINS, Hon. Laurent	St. Boniface	NDP
DODICK, Doreen	Riel	NDP
DOERN, Russell	Elmwood	IND
DOLIN, Hon. 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	Rupert's Island	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, Hon. 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, Hon. 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, Hon. Jerry T.	Flin Flon	NDP
URUSKI, Hon. Bill	Interlake	NDP
USKI, Hon. Samuel	Lac du Bonnet	NDP
WALDING, Hon. D. James	St. Vital	NDP

# LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, 8 June, 1984.

Time — 10:00 a.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 Labour.

**HON. M.B. DOLIN:** Thank you, Mr. Speaker. It is with great pleasure that I table the Annual Reports of the Manitoba Department of Labour and Employment Services, and the Office of the Fire Commissioner.

**MR. SPEAKER:** The Honourable Minister of Housing.

**HON. J. BUCKLASCHUK:** Thank you, Mr. Speaker. I am pleased to announce a \$22-million program, RentalStart, under the Manitoba Jobs Fund which will stimulate construction of new rental accommodation in Manitoba.

RentalStart will provide 11.5 percent open mortgages for a seven-year term for the construction of new rental units or the conversion of non-residential buildings for rental use in areas outside of Winnipeg and in the core area of Winnipeg including downtown.

Mr. Speaker, our vacancy rate in this province remains in the neighbourhood of 1 percent, a very tight rental situation.

According to Central Mortgage and Housing, there were only 248 apartments started in our larger communities in 1981. Last year, with the assistance of the Jobs Fund and Manitoba Housing, there were 1,905 units started, a seven-fold increase.

Manitoba Jobs Fund RentalStart will see the construction of 400 to 500 new units this year, helping Manitoba developers to continue this upward trend in starts. I would hope this program would be as well received as our new sale housing programs which between last year and the current year will have seen the construction of more than 1,500 new homes in Manitoba.

As a point of interest, Mr. Speaker, close to 90 percent of Manitobans who took advantage of our new housing programs this year were renters who were assisted to build their own homes.

RentalStart will provide up to 80 percent financing of the total development costs. We will be giving preference to local builders and to proposals which project affordable rents. As well, a minimum of 5 percent of the units must be accessible to the disabled.

Mr. Speaker, I'm pleased to announce this Manitoba Jobs Fund program and to be able to provide a stimulus for the construction industry.

We anticipate the program will generate a two-fold benefit to Manitoba; a considerable increase in rental

accommodation and the generation of some 880 person years of employment for Manitobans in co-operation with the private sector.

**MR. SPEAKER:** The Honourable Member for Assiniboia.

**MR. R. NORDMAN:** Mr. Speaker, I take this opportunity to welcome the statement of the Minister and hope that it will be as effective as what the Minister seemed to think it will be.

I know the housing shortage is probably due to the difference in the government's view of housing than what the previous government's was and we, on this side, will be watching to make sure and be aware of what the effect it will have on the housing situation. The 11.5 percent mortgage rates with the 7-year term seems to be a pretty good outlook and the conversion of non-residential buildings for rental use, and I guess it's into the Buy and Renovate Program that I think the Minister is looking towards and some of the construction people are looking towards.

Like I said before, on this side, we'll be monitoring it to make sure that things do turn out as the Minister states. Thank you, Mr. Speaker.

**MR. SPEAKER:** Notices of Motion . . .

## INTRODUCTION OF BILLS

**HON. V. SCHROEDER** introduced, on behalf of the Honourable Attorney-General, Bill No. 20, The Statute Law Amendment Act, (1984)(2); and Bill No. 21, An Act to amend The Law Society Act.

## INTRODUCTION OF GUESTS

**MR. SPEAKER:** Prior to Oral Questions, may I direct the attention of honourable members to the gallery. We have 46 students of Grade 5 standing from the Fleming School under the direction of Blaine Wareham. The school is in the constituency of the Honourable Member for Brandon West.

There are 26 students of Grade 7 standing from the Amaranth School under the direction of Mr. Johnson. The school is in the constituency of the Honourable Minister of Government Services.

On behalf of all of the members, I welcome you here this morning.

## ORAL QUESTIONS

### Unemployment statistics

**MR. SPEAKER:** The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Mr. Speaker, I have a question for the Minister of Labour. The opposition are generally pleased, Mr. Speaker, with the news this morning with

respect to the relative ranking of the Province of Manitoba with respect to unemployment . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

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

**MR. G. MERCIER:** . . . however, we note that unemployment among youth between the ages of 15 and 24 is 12.5 percent, more than twice the rate for those persons over 25 years of age. We note a report earlier this week by the Social Planning Council of Toronto that the real level of unemployment among young Canadians is almost 50 percent higher than Statistics Canada estimates. I would ask the Minister of Labour if she has had an opportunity to review that report and whether she can substantiate that the Statistics Canada figures do not include what has been called hidden unemployment, discouraged job seekers who have given up the search, and underemployed people working only part-time, and that in fact youth unemployment is 50 percent higher than what is indicated in this report?

**MR. SPEAKER:** The Honourable Minister of Labour.

**HON. M.B. DOLIN:** Mr. Speaker, the unemployment stats, the employment stats, the Labour of Canada stats are the same as they have always been. I have always very carefully explained, as have my colleagues in this House, that there is a group of hidden unemployed. It includes a great number of our Native people, it includes women, it includes youth, it includes people who have become discouraged and stopped looking for jobs after severe layoffs that have affected them. It includes men and women of all ages and all places. We have never said that was not true. I don't believe that Labour Canada denies that either, and that is perhaps what the member is referring to, that the stats refer to those people who are actively in the labour market and that's what the stats are based on. Certainly the youth unemployment figure that he refers to is of concern to us. But I would point out to him that while it is 12.5 percent in May of this year, it was 16.9 percent in May of 1983. The political will has been there to reduce that rate and to continue to reduce it through the many programs that we do offer.

**MR. G. MERCIER:** Well, Mr. Speaker, the unemployment statistics of last year at this time were so bad they couldn't possibly get worse, they had to improve. In view of this very serious level of unemployment among young people, Mr. Speaker, and the fact that the statistics indicated 13.2 unemployment rate for young males between 15 and 24, would the Minister reconsider suggestions from this side of the House with respect to reviewing rigid union classification rates that have the tendency to cause employers not to employ as many young people as they possibly could if there were some means worked out between unions and employers of lowering those rates in order to employ more younger people in this category?

**HON. M.B. DOLIN:** Mr. Speaker, I am continually amazed and somewhat shocked at the suggestion that

the way to get more jobs is to exploit the worker. I would never condone that sort of thing. I would point out to the member that the unemployment rate among youth - and why he is concerned about young males, in particular, I really have no idea. Young females certainly have a right to jobs as much as young males and I would point out to him that when he quotes stats he should be quoting total unemployment figures, not just one gender. The unemployment across Canada is 19.3 percent for young people. That is terrible. We agree. We agree there is a problem, but it is 12.5 percent in Manitoba. Obviously we are trying and we will continue to try to employ those young people.

Unemployment is a real problem and I believe that the members across the way are not committed to total employment as the people on this side of the House are and that total employment possibility is what we are striving for.

**MR. G. MERCIER:** Nobody is trying to exploit young people. We're trying to make sure that they are employed, Mr. Speaker. We raised the question of young males because their rate of unemployment is 13.2 percent compared to 11.7 in the other area, and it indicates a problem. — (Interjection) — There's obviously a higher rate of unemployment there and it perhaps relates to the fixed union classification rates in construction work.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order please. Order please.

**MR. G. MERCIER:** Mr. Speaker, I would ask . . .

**MR. SPEAKER:** Order please. May I remind the honourable member that Oral Question period is for asking for information, not for giving information to the House.

The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Mr. Speaker, I would ask the Minister of Labour if the reluctance on the part of the Cabinet to make a decision with respect to the report of the Minimum Wage Board is because of a concern that an increase in that area might cause greater unemployment among young people?

**HON. M.B. DOLIN:** As has been reported, the report of the Minimum Wage Board has just recently been received and only proceeded to Cabinet last week. I would remind the member, who is obviously reading from a news report - where most of their research seems to be done - that that Minimum Wage Board is made up of employer and employee representatives and they spent a long time attempting to reach an agreement this year. We believed it was important that they be given as much time as they needed to attempt to reach an agreement. We will deal with that question of the minimum wage very shortly in Cabinet.

### Unemployment statistics

**MR. SPEAKER:** The Honourable Member for Thompson.

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

In view of the fact that it's only been vague reference by the members opposite to exactly what this morning's statistics indicated, I'd like to ask the Minister what the latest statistics are on unemployment and also how those statistics compare with other jurisdictions across this country?

**HON. M.B. DOLIN:** Mr. Speaker, in Manitoba the seasonally adjusted unemployment rate has finally broken the 8 percent barrier which we were over for so long, and we are at 7.8 percent in Manitoba which is the best in Canada. The province with whom we were often nearly tied has unfortunately reached the 8 percent barrier. Only Nova Scotia, among the provinces, along with Manitoba experienced a decline this month.

**MR. S. ASHTON:** I thank the Minister for those encouraging developments. I would also like to ask the Minister what figures are available in terms of employment, specifically employment compared to last month and compared to one year ago in Manitoba?

**HON. M.B. DOLIN:** Mr. Speaker, there are 480,000 Manitobans working right now which is the highest number of working Manitobans that we have ever experienced in the history of this province. That's a rise of 16,000 or 3.4 percent since May of 1983, which compares very well, I believe, with the 2.2 percent rise in the number of employed across the country.

**MR. S. ASHTON:** A supplementary, Mr. Speaker. In view of the fact the opposition often criticizes the government for part-time job creation, I would like to ask the Minister whether she can indicate whether this improvement in unemployment statistics and employment statistics has stemmed from part-time or full-time job creation?

**HON. M.B. DOLIN:** Yes, this is a question I'm delighted to answer because it always is a bit of an irritant to me to hear the calls from across the way about short-term jobs, part-time jobs and so on. Fourteen thousand of the 16,000 jobs created are full time, full-time work for Manitobans.

### Aboriginal self-government

**MR. SPEAKER:** The Honourable Member for Turtle Mountain.

**MR. B. RANSOM:** Mr. Speaker, I have a question for the Minister of Northern Affairs.

The Minister advised the House two or three weeks ago that they were in the process of negotiating over the settlement of Indian entitlement, land entitlement claims. I'm wondering if the Minister can tell us whether or not the government has adopted a formula or a date for the determination of the population of Indian bands which would be used to settle the treaty entitlements.

**MR. SPEAKER:** The Honourable Minister of Northern Affairs.

**HON. J. STORIE:** Mr. Speaker, I think I answered that question previously when the member raised the same

issue. As the member is aware, the negotiations with respect to treaty land entitlement are ongoing; in fact, I was scheduled to be in Ottawa on Monday to continue those negotiations. I think it would be premature to say anything had been finalized. Obviously, as you approach agreement, there are concerns raised and will continue to be raised until there is a final agreement. Until that time, I can't say that anything is finalized. I think that may tend to jeopardize some of the very good work that's gone into negotiations over the past year and a half.

**MR. B. RANSOM:** Mr. Speaker, has the government adopted a position with respect to the date that should be used for determining band populations?

**HON. J. STORIE:** Mr. Speaker, in light of the fact that negotiations are continuing, I can only respond in the general way that the government has its own view, but obviously negotiations are a dynamic process and for me to say categorically, that this is where we are would not be in the best interest, in my view, of negotiations. I think the member is aware of the government's general position.

**MR. B. RANSOM:** Mr. Speaker, unfortunately, I'm not aware of the government's general position because they haven't indicated it. Has the government adopted what is commonly known as the Saskatchewan Formula in that they use the population as of the end of December, 1976?

**HON. J. STORIE:** Mr. Speaker, the member may have had an opportunity to read the Mitchell Commission Report. I had assumed that he had. Certainly one of the earliest concerns expressed by the bands was the question of population date and entitlement. The province's position, generally, has been that that question is largely to be taken up between the bands and Canada. Obviously, the province, as the third party to the negotiations, is concerned and deals with that as one of a number of items in negotiations.

So in general terms, the bands, I believe, certainly favour the '76 Formula or the Saskatchewan Formula, which was arrived at and used in the Province of Saskatchewan. But as I said, it is part of negotiations and is subject to change with any other issue in negotiations.

**MR. B. RANSOM:** A further supplementary, Mr. Speaker. The Minister indicates that the Mitchell Report forms the basis of the government's position. Is that, in fact, the case; that the government has negotiated on the basis of the Mitchell Report?

**HON. J. STORIE:** Mr. Speaker, I indicated previously that there were many good aspects of that report. Obviously there were things within the report that the Provincial Government disagreed with, things that we agreed with. I think that there were a number of principles within that report that all parties agreed to, whether it be the bands, the interveners, people who presented to the Commission, who expressed their particular point of view. The Manitoba Cattle Producers Association, Municipalities, inter-church groups

presented positions I think and there was a general consensus among all of the groups.

Certainly, where there was that type of consensus, the province obviously had to take to heart those particular recommendations and those particular views. So when we're talking about protecting third party interests, when we're talking about the need to provide bands who are surrounded by agricultural lands, a means for acquiring land in a voluntary open market situation, those kinds of concerns were issues that I think all parties took seriously in negotiations.

But I conclude by saying that the negotiations are in the final stages perhaps, but nothing at this point has been finally determined and negotiations being what they are, there is still a considerable flux on various positions by various parties involved in negotiations.

**MR. B. RANSOM:** Mr. Speaker, will there be any opportunity for debate in the Legislature, for example, concerning these settlements or is the government simply going to emerge one day and announce that settlements have been made?

**A MEMBER:** Good question.

**HON. J. STORIE:** Mr. Speaker, the negotiations that have been ongoing for a year-and-a-half have taken into consideration tremendous input on the part of the public as a result of the Mitchell Commission, who heard from interest groups, who heard from individuals from across the province, and obviously that input is going to be taken very seriously.

Further, Mr. Speaker, I anticipate that at a time when consensus is reached, there will be an opportunity for those individuals to comment and review the potential package and every opportunity to make their views known.

### Jobs Fund

**MR. SPEAKER:** The Honourable Member for River East.

**MR. P. EYLER:** Thank you, Mr. Speaker. I have a question for the Minister responsible for the Jobs Fund. In the last few months, the unemployment rate in Manitoba has been showing a general decline in spite of the Canadian trend to remain steady or increase, and no doubt this is due in large part to the Jobs Fund. I wonder though, can the Minister assure this House that the Jobs Fund is not geared solely towards achieving favourable short-term statistics?

**MR. SPEAKER:** The Honourable Minister of Culture.

**HON. E. KOSTYRA:** Thank you, Mr. Speaker, and I thank the member for that question. Mr. Speaker, I think we all are pleased to see the reduction in the unemployment statistics for the Province of Manitoba and we hope that we can continue in that trend, and that we can have further improvements with respect to employment creation and job creation in the Province of Manitoba.

The question that the member asks with respect to the Jobs Fund is that the record has been clear, the

Jobs Fund was put in place at the worst time, at the very bottom of the recession in order to prime the pump, to prime the economic pump in the Province of Manitoba, and I'm pleased that the statistics today, and others, indicate that that was the best strategy at the time.

It is now, however, the government's intention, as has been indicated, to shift the focus of the Jobs Fund to work on the longer term, to move from the shorter term, have still some base within the Jobs Fund for the shorter term job creation that is still needed in some sectors of some parts of our province and our economy, but to move to the longer term job creation which has been exemplified through some of the announcements that have been made to date with technology, with respect to the ERDA, so we are moving with respect to further long-term job creation in the province.

### Hydro power - sale of

**MR. SPEAKER:** The Honourable Member for River East.

**MR. P. EYLER:** I noticed that unemployment was up in Saskatchewan and Alberta this time.

Mr. Speaker, I have a supplementary question to the Minister of Energy. In view of last week's announcement for another power export deal, I wonder if the Minister of Energy will be approaching the Conservative Governments of Alberta and Saskatchewan to ask them once again whether or not their economies are so depressed and so devoid of promise that they can't possibly enter into any agreements to purchase Manitoba's power in the foreseeable future.

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

**HON. W. PARASIUUK:** Mr. Speaker, I think that what the experience over the last two years shows is that a slogan "Open for Business" is not sufficient to have economic development take place, but rather what you need is a balanced mix of private and public enterprise. I see that the Saskatchewan Government now is not only involving itself in a major development, but has involved the Federal Government in that development as well.

Mr. Speaker, I think that they are picking up from our lead in that respect. I would hope that other provinces in the country would pick up from the lead of the New Democratic Party Government in Manitoba. If they all did that, Mr. Speaker, I believe we would have the lowest unemployment rate in the Western World.

Mr. Speaker, certainly we have always said . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order please.

**HON. W. PARASIUUK:** Mr. Speaker, I find that the Member for Sturgeon Creek is virtually apoplectic at the good news that people have heard today in Manitoba. I think the good news of one a week, Mr.

Speaker, is totally demoralizing and weakening him. I think for the mercy of the Member for Sturgeon Creek we should be a bit more careful — (Interjection) — with our announcements.

**MR. SPEAKER:** Order please.

**MR. H. ENNS:** Mr. Speaker, on a point of order, I will put up with only so much nonsense from this Minister . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

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

Does the Honourable Member for Lakeside have a point of order?

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. H. ENNS:** Sit down. When the Speaker is standing, you sit down. Don't you understand any rules in this House? Sit down, Mr. Minister. When the Speaker stands, you sit down.

**HON. W. PARASIUK:** Mr. Speaker, I think . . .

**MR. H. ENNS:** You sit down when the Speaker stands. You sit down when the Speaker stands! That's right, now you're getting it.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**HON. W. PARASIUK:** Mr. Speaker, was I interrupted with a valid point of order?

**MR. SPEAKER:** Does the House wish to proceed?  
The Honourable Minister of Energy and Mines.

**HON. W. PARASIUK:** I was interrupted in my answer, very rudely by the House Leader, who didn't have a point of order, and he then tried to chastise me for breaking the rules, when he's there, sitting in his seat, yelling in a demented manner, Mr. Speaker? What is this House coming to, Mr. Speaker?

**SOME HONOURABLE MEMBERS:** Oh, oh!

**HON. V. SCHROEDER:** Quiet, Harry. You should be ashamed of yourself.

**HON. W. PARASIUK:** Mr. Speaker, not only is the Member for Sturgeon Creek apoplectic, but the House Leader of the Conservative Party has completely fallen apart.

**A MEMBER:** I think Harry's out of order, Mr. Speaker.

**MR. SPEAKER:** Order please, order please. Can I remind Ministers that answers to questions should not be turned into speeches.

The Honourable Minister of Energy and Mines.

**HON. W. PARASIUK:** Mr. Speaker, if I extended my comments, I did so because of the heckling from the

seat of the Member for Sturgeon Creek and the Member for Lakeside, and I think that's the normal way in which to deal with pipsqueaks who heckle.

Mr. Speaker, I certainly hope that the economies of the Provinces of Saskatchewan and Alberta do pick up, because we certainly believe that we should have strong provincial economies in every province, and certainly that would help to the betterment of Canada. If, Mr. Speaker, the opportunity develops whereby Saskatchewan and Alberta need the power, we certainly would be quite prepared to try and negotiate their terms and a fair deal for both parties. But I do emphasize that they would have to be fair for Manitoba as well as those provinces or other parties in the world that might be interested in, in a sense, renting Manitoba's great hydro resources.

**MR. SPEAKER:** The Honourable Member for River East.

**MR. P. EYLER:** A final supplementary to the Minister of Energy, Mr. Speaker. Time may be of the essence, we're about to embark on a 10-year, long-term construction program for northern Hydro. Will the Minister approach the Provinces of Alberta and Saskatchewan before he signs another power export agreement?

**HON. W. PARASIUK:** Mr. Speaker, we certainly will be in further contact with them. I should point out to the member that Alberta has presently stopped the construction of two 400 megawatt thermal plants that were being constructed near the Edmonton area. These two thermal plants have been stopped because they don't need the power, so we certainly would endeavour to try and ensure that we explore all possible sales. But if the Alberta Government is presently stopping something that they thought was required in 1988 and '89 because they're no longer needed, I'm not sure, Mr. Speaker, whether in fact they would need power from a grid for 1990 or 1991 or 1992, but we certainly would pursue that in order to give everyone a fair chance.

### Core Area - resignation of General Manager

**MR. SPEAKER:** The Honourable Member for Kirkfield Park.

**MRS. G. HAMMOND:** Mr. Speaker, my question is for the Minister of Urban Affairs. The General Manager of the Core Area Initiative Program, Mr. Larry Boland, has resigned to return to Toronto. I wonder if the Minister could inform the House when his resignation will take place and if a decision has been made on his replacement.

**MR. SPEAKER:** The Honourable Minister of Labour.

**HON. M.B. DOLIN:** Thank you, Mr. Speaker. I believe that Mr. Boland will be leaving approximately September 1st in order to allow some time for him to work with whatever new manager is appointed, so that there can be a smooth transition to a new manager. I must say

that we were certainly sorry to see him go; we realize that he had an opportunity that he had to make a decision on; he had to choose whether to take advantage of an opportunity being offered to him. We will miss him and I know that my daughter, who is a day care worker, will miss his son in day care as well. She has indicated that very clearly.

**MRS. G. HAMMOND:** Mr. Speaker, my question is will Mr. David Sanders be the new replacement for Mr. Boland?

**MR. SPEAKER:** The question is speculative. The Honourable Member for Kirkfield Park.

**MRS. G. HAMMOND:** My question is to the Minister of Urban Affairs. How will the replacement for Mr. Boland be chosen, and will it be someone from Manitoba?

**HON. M.B. DOLIN:** Mr. Speaker, I am not involved in the selection process at this point. As the member knows, approval would have to be given by the three members of the core area, the three policyholders, which is the Federal Government, the province and the city. But at this point we are not specifically involved in any replacement search; that is going on at the management level. When the names are brought forward, then there will be discussion about them.

The earlier question I believe you ruled out of order. I'm not quite sure what happened there, but I think that is what happened.

**MRS. G. HAMMOND:** Yes, Mr. Speaker, my question to the Minister then is: who is part of the management who will be selecting Mr. Boland's replacement?

**HON. M.B. DOLIN:** I'll have to take that as notice. I'm not sure who is on the search committee. I will take that as notice and give it to the member as soon as I have it.

### Fishing regulations

**MR. SPEAKER:** The Honourable Minister of Natural Resources.

**HON. A. MACKLING:** Thank you Mr. Speaker. The other day I indicated in answers to members opposite some information. I indicated that I would give fuller answers when I had all of the information from the department. The Member for Emerson asked me in respect to the validity of sport fishing regulations and I would like to give him the details as to how those sport fishing regulations are promulgated.

Since 1976 sport fishing seasons and limits have been established by order of the Minister and gazetted in the Manitoba Gazette. The authority for the province to set seasons and limits is provided in Section 18 of the Manitoba Fishing Regulations, which are federal regulations, established under The Fisheries Act of Canada; that is, provincial Ministers have and continue to exercise the authority delegated by the Governor-in-Council. All regulations concerning sports fisheries in Manitoba, fisheries regulations, and the order of the

Minister have been properly gazetted and they are therefore considered valid.

There's one other question asked by the Honourable Member for Swan River in respect to the Spider Mountain Road, and I'm sure all members are familiar with that road. It's also referred to as Rogers Pass, and the National Mills Road, 35 miles long and provides access for forest protection, timber operators and recreational use. Presently the road is in fair condition, considering there was a 10-inch snowfall there in May of this year. Maintenance work is expected on the road for further upgrading and repairs will be carried out shortly. At the present time that road is maintained for forest protection access only.

### Universities - tuition fees

**MR. SPEAKER:** The Honourable Member for Morris.

**MR. C. MANNES:** Mr. Speaker, I address my question to the Minister of Education. In yesterday's paper it was reported that the University of Winnipeg is planning to exceed the government's 10 percent increase in tuition fee guideline. Will the Minister be allowing the University of Winnipeg to increase tuition fees beyond 10 percent?

**MR. SPEAKER:** The Honourable Minister of Education.

**HON. M. HEMPHILL:** Mr. Speaker, I think that when you read down in the article it indicates that what they are asking for is clarification from the government and from the Universities Grants Commission. The tuition rates aren't quite as simple as they appear. We have suggested that we think an increase of 10 percent is a reasonable increase this year. They have three areas of tuition: one is tuition, one is supplemental, and one is incidental fees. They're all considered to be tuition.

Last year they attempted to rationalize those three levels of tuition fee to bring them all together under one program so that the fees would apply the same. This year I think they are asking for clarification on whether or not the 10 percent is overall and whether they may make some adjustments in individual faculties. I believe that the Universities Grants Commission is meeting next week and expects to deal with their question and respond and give them clarification of their understanding.

**MR. C. MANNES:** Will all the universities in the province be offered that opportunity to increase beyond 10 percent after the Universities Grants Commission makes some determination as to whether or not what the University of Winnipeg is doing falls within the government guidelines?

**HON. M. HEMPHILL:** At this point I believe the university - and I believe the University of Manitoba too, not just the University of Winnipeg - are asking the Universities Grants Commission to provide clarification on an issue that is not quite as simple as it appears because they have three levels of tuition and they're asking how that should be applied and how the increase will be allowed to be applied. I expect the Universities Grants Commission will be able to answer their questions next week.



**MR. C. MANNES:** A supplementary, Mr. Speaker. Why has it taken eight weeks for the Universities Grants Commission to become involved in this whole procedure? The article in the paper indicates that the University of Winnipeg has heard nothing from that body in eight weeks. Why has it taken so long so as to prevent the university from completing its budgeting procedure?

**HON. M. HEMPHILL:** Mr. Speaker, it's my understanding there has been communication. The communication may have been of an informal nature but the communication did take place. I think perhaps they're looking for definitive formal communication on which to make their decisions and they will be receiving that, but there has been communication.

### Burns plant closure

**MR. SPEAKER:** The Honourable Member for Arthur.

**MR. J. DOWNEY:** Mr. Speaker, I have a question to the Minister of Economic Development. For some time now, Mr. Speaker, the plant at Brandon, the Burns plant, is destined to close, or the announcement has been made that it'll be closing in August. The Minister has established a committee. Could he report today that they've been able to turn the decision of Burns around and not have the closure of the Brandon plant where some 150 people will lose their jobs?

**MR. SPEAKER:** The Honourable Minister of Culture.

**HON. E. KOSTYRA:** Thank you, Mr. Speaker. That committee is in place with representatives of the City of Brandon, the Province of Manitoba, the Government of Manitoba, and the Brandon Chamber of Commerce, and the Brandon Labour Council. They have met on a number of occasions. They are working looking at various alternatives including the maintenance of that plant. That committee had asked directly of Burns to defer the closure date until such time as the current collective bargaining could be concluded, so that Burns could reevaluate its position at the end of that bargaining. Unfortunately that suggestion by the joint committee has been rejected. They are still continuing to work to look at ways of maintaining that plant and also looking at other alternatives if they cannot be successful in maintaining that important plant in the City of Brandon.

**MR. J. DOWNEY:** Mr. Speaker, can the Minister confirm that as long as the plant at Brandon is to be or would be used as a meat killing plant, or a beef processing plant, that it will not be sold by Burns? If the only way in which it would continue to operate would be to do some other type of work, but as a meat packing plant or a processing plant there's no way that Burns will sell it for that purpose, is that correct?

**HON. E. KOSTYRA:** Yes, we did ask Burns directly as we were exploring the various alternatives for that plant as to whether or not they would be willing to sell that plant. Since they do not seem to want to continue the operations of that plant, we asked them whether or not

they would be willing to sell that plant to other interested parties, even indeed the workers themselves if that was a possibility, as has happened in other parts of Canada with beef slaughter operations. But unfortunately the position of Burns is that they are going to close that plant, that they will not sell it to anyone who would want to operate it as a beef slaughter facility.

**MR. J. DOWNEY:** Mr. Speaker, some time ago I asked the Minister if any other packing plants in the Province of Manitoba had any special programs or any preference paid to it to enable them to continue on with their operations in Manitoba. Can the Minister now answer me? Do any of the other plants operating in Winnipeg have any special considerations given to them by government or by the Manitoba Beef Commission?

**HON. E. KOSTYRA:** Mr. Speaker, no, there hasn't been any special assistance paid to any beef slaughter operation in the Province of Manitoba.

### Unemployment statistics

**MR. SPEAKER:** The Honourable Member for Inkster.

**MR. D. SCOTT:** Thank you, Mr. Speaker. I have a question for the Minister of Labour. Could the Minister of Labour indicate to this House what the City of Winnipeg's unemployment rate is, and how it would compare with other jurisdictions, particularly with our sister cities in Western Canada, other major cities, as well as other major cities in Canada?

**HON. M.B. DOLIN:** I'm sure that the people in the City of Winnipeg don't feel that is a stupid question, as I heard from across the way.

Winnipeg ranks No. 1, as does the province, in actual unemployment rate. I think we can emphasize and feel sad for the situation that is developing in Western Canada as we see the cities of Edmonton with a 15.2 percent actual unemployment rate, Vancouver 14.1 percent, Calgary 13.3 percent. Having a son in the City of Edmonton, I feel very badly that that situation is developing in that part of our country.

Saskatoon and Regina are not in much better shape. Regina is approximately the same as Winnipeg at this point.

Only, again, in Halifax, where, as I noted earlier, the provincial unemployment rate declined as well. Halifax has also a declining rate, but it is at 9.9 percent, well above that in Winnipeg.

So, while the Winnipeg rate is higher than the province as a whole, it has the lowest unemployment rates in the country.

### Cottage permits

**MR. SPEAKER:** The Honourable Member for La Verendrye.

**MR. R. BANMAN:** Thank you, Mr. Speaker. I have a question for the Minister in charge of Parks and I would ask him whether or not he could inform the Legislature and the members what the purpose of the letter was that he sent along with all the renewal permits for

cottage holders; in other words, the letter which he signed asking people to also sign in order to be able to rent out their facilities and their cottages. What was the purpose of that letter?

**MR. SPEAKER:** The Honourable Minister of Natural Resources.

**HON. A. MACKLING:** Mr. Speaker, honourable members will recall that there were concerns brought to my attention by cottagers within our parks system and elsewhere in respect to the escalation in rental fees. I held meetings with them - some of their concerns, other than the increases in the rental fees, were about security of tenure in respect to their use of the land. Many of our cottagers are on annual permit and are concerned to determine whether or not they can get longer term leases. I indicated that should be possible, that certainly was our intention, and in a letter to cottagers, we have reminded them that it is open to them to ask us to provide a longer term lease. Other indications given to the cottagers were that whereas formerly, cottagers in our park system were not allowed by the terms of either a permit that they had, or if they did have a lease, to sublet, that those restrictions were no longer going to be applied.

So the concerns that I had reviewed with cottagers and cottagers' associations, are confirmed in the correspondence that I have sent out to individual cottagers.

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

### MINISTERIAL STATEMENTS AND TABLING OF REPORTS (Cont'd)

**MR. SPEAKER:** The Honourable Minister of Finance.

**HON. V. SCHROEDER:** Mr. Speaker, could I have leave of the House to revert to Tabling of Reports?

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

The Honourable Minister.

**HON. V. SCHROEDER:** I should like to table the Annual Report for the Civil Service Commission.

### ORDERS OF THE DAY

**MR. SPEAKER:** The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Mr. Speaker, at the request of the Government House Leader, I would ask that the matter stand until Monday.

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

The Honourable Government House Leader.

**HON. A. ANSTETT:** Mr. Speaker, would you call these two bills, standing as Adjourned Debates on Page 4 of the Order Paper, please?

**MR. SPEAKER:** On the proposed motion of the Honourable Minister of Highways, Bill No. 5, the Honourable Member for Pembina.

**MR. H. ENNS:** Mr. Speaker, I ask for leave to have this matter stand.

**MR. SPEAKER:** Stand.

**MR. H. ENNS:** I have no objection, Mr. Speaker, and if anybody else wishes to speak.

**MR. SPEAKER:** Stand.

On the proposed motion of the Attorney-General, Bill No. 8, the Honourable Member for Lakeside.

**MR. H. ENNS:** Stand.

**MR. SPEAKER:** The Honourable Government House Leader.

**HON. A. ANSTETT:** Mr. Speaker, I would like to move, seconded by the Honourable Minister of Co-operative Development, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

**MOTION presented.**

### MATTER OF GRIEVANCE

**MR. SPEAKER:** The Honourable Minister of Culture.

**HON. E. KOSTYRA:** Mr. Speaker, I rise at this time on a grievance, which I understand is every member's right one time during the Session.

Mr. Speaker, we have heard on many occasions in this House and outside this House comments made with respect to the economic development strategy of this government.

We've heard references in regard to the Manitoba Jobs Fund as the "fraud" fund, Mr. Speaker; we've heard references to the position that the Minister of Finance adopted with the Federal Government some time ago in terms of major capital and major capital projects in this province that would improve the overall assets and put the province in a better position for the recovery; the so-called "wish list" - we heard the comments of the opposition at that time, where they laughed and they said that it was a joke and it was merely just thoughts and things that never could come to pass.

We heard criticism of the position that was taken by my Premier when he called on other provinces and other governments in Canada to take a major effort, a major war on unemployment in this country, to take up the position that was being advanced by this government in terms of job creation and job retention. He had suggested that other provinces, indeed, the Federal Government, take the same kind of position to raise a massive war on unemployment here in the province. That was ridiculed, that was laughed at by members opposite and others.

Well, Mr. Speaker, the announcement today, in terms of the unemployment statistics in the Province of

Manitoba, indeed the information that is available on other economic indicators in the Province of Manitoba, I believe, Mr. Speaker, vindicates the action of this government in terms of its economic development strategy, in terms of the position that we have taken with the Federal Government with regard to other provincial governments in this country in terms of economic development, the position advanced by my Premier in terms of other governments right across Canada, and I think it also clearly indicates, Mr. Speaker, that the approach of this government, of this party in government, the New Democratic Party, is different from the other governments and the other parties in this country. It's also clear, Mr. Speaker, that that strategy works. It's very clear that that strategy works.

Look at what's being said in terms of the unemployment situation in the Province of Manitoba. It has declined further, Mr. Speaker, further to the point that we have now finally broken under 8 percent for the first time in a long time, down to 7.8 percent.

This point hasn't been made or hasn't been raised; this is the third consecutive month that Manitoba has had a significant unemployment rate reduction which now gives us, for the second time within a few months and the second time I think in recent history, the lowest unemployment rate in all of Canada, Mr. Speaker. It's something that we are still concerned of because when you have an unemployment rate of 7.8 percent it's unacceptable in terms of the human cost, the human misery, that is attached to unemployment, but Mr. Speaker, when we look in relative terms, it is the best record of any provincial government in this country.

So you have to ask, Mr. Speaker, why is that? Does it have anything to do with government action, with government efforts? Does it have anything to do with the position that we've advanced with other governments, with the private sector in this country? Members opposite would argue that government efforts have not had any impact. However, if it was the other way around, Mr. Speaker, there would be all kinds of yelling and screaming and comments made that it's the actions of this government that would be causing the situation if it was reversed. I think we've got reason to look at what has taken place over the last two years, Mr. Speaker. We have reason to be proud of the efforts that we have taken with respect to a comprehensive approach to economic recovery in this province, Mr. Speaker. It has been a comprehensive strategy. We haven't merely just put all of our eggs in a couple of baskets hoping that they would hatch. We have taken a comprehensive integrated approach to dealing with the economic situation here in the province.

It started, Mr. Speaker, shortly after we came into power as a government, at a time when the economy in Manitoba and the economy throughout Canada and indeed worldwide was on a severe decline. We took fairly quick and fairly immediate action in terms of putting in place the Manitoba Jobs Fund which has been in place for just over a year and has had, I would suggest to you, Mr. Speaker, and to members opposite that it has had a significant impact with respect to the economic situation in the Province of Manitoba.

They talked about the "fraud" fund across the way; they talked about the fact that it was not going to have any impact; they talked about the fact that it was merely short-term job creation, make-work projects. Well, Mr.

Speaker, when we look at what the statistics tell us today, if we look at, even more importantly, at the many Manitobans that are working because of projects assisted through the Manitoba Jobs Fund, and if we look at the increase in the facilities and the assets of this province, because of the efforts of the Manitoba Jobs Fund, we have to clearly see that the fund has been successful. It has been successful in helping bring about the start of the economic recovery in the Province of Manitoba.

As I indicated, we believe that that was the proper action to take at the time. This government stood all alone as compared to any other government in this country. There's a reason for it. This happens to be, unfortunately, at this time the only New Democratic Party Government anywhere in Canada. We stood alone when we called for . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**HON. E. KOSTYRA:** We stood alone, Mr. Speaker, when we called for massive government intervention at the worst time, the worst part of the recession. We were criticized for that. We were criticized for that by members opposite; we were criticized for that by others, but yet, Mr. Speaker, when we look today, Manitoba again stands out alone. Why? Because we are in a situation, we are in a position that we are in the best position with respect to economic growth and economic development of any province in this country. We stood alone then, Mr. Speaker, and now we are vindicated because we are again standing alone in terms of the economic recovery and the success that our efforts have made.

We've also done it in a way to ensure that the rewards, that the benefits, of the economic recovery are shared by all Manitobans. I think that that point has to be emphasized, has to be expanded on, because I think that also indicates the strategy of this government and how the strategy of this government and the strategy of this party differs from that of other parties and other governments. We want to ensure that there is economic recovery in this province. We want to ensure that there is further economic development in this province, but we also want to ensure that that recovery is shared by all Manitobans, whether they be the small business or large business, whether they be businesses that are located here in the province, are home grown, and home controlled business, or business that is controlled outside of this province, whether it is co-operative enterprise, whether it is private enterprise, whether it's various regions of the province, whether it's various groups within Manitoba society, we want to ensure that all Manitobans have a fair share, a fair part in the recovery.

I think that was made very clear in terms of the recent Budget that was brought down by the Minister of Finance, because he did indicate in that Budget that Manitoba was again on the move; that we were on the road to significant economic recovery and he did provide some shifts, some changes, in budgetary policy to ensure that recovery was going to be shared by some of the segments in Manitoba society. He did indicate and did bring down a change in the Health and Post-Secondary Education Levy so that the very

small and very important small business in this province could benefit by the recovery. He also brought in tax changes for the very low income people in the province in terms of the tax credits to ensure that they would have some benefit by the recovery that is taking place in Manitoba. We will continue to ensure that the approach that we take in terms of economic development and in terms of the major projects and the minor projects and the many projects that we are working on that the benefits of those are shared by all Manitobans or as many Manitobans as possible. I think that that clearly indicates and that clearly shows that this government in another way has a different approach from previous governments.

I could go on and on and on, Mr. Speaker, with respect to what has taken place in the last year, what has taken place because of the catalyst role that the Jobs Fund has taken. I can talk about the people who are working because of Jobs Fund projects. I can talk about the important facilities that have been constructed in our province - in some cases for use of community groups and others. And you know, I get really annoyed, Mr. Speaker, when I keep hearing the comments from members opposite about the "fraud" fund. It really bothers me, Mr. Speaker, because there has been many community organizations, many ordinary Manitobans that have been involved in the Jobs Fund. There's been community organizations, there have been churches, and it's really an insult to me and I think to all Manitobans to suggest that those community groups, those churches, those recreation organizations in ridings represented by members opposite . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order please.

**HON. E. KOSTYRA:** . . . are being suggested that they're part of a fraud. I think that that's an insult to the people in Manitoba and to those people in those communities that are working very hard to assist . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order please.

**HON. E. KOSTRYA:** . . . in terms of the job creation efforts of this province. Many of them are assisted by the very good program that was announced yesterday by my colleague, the Minister of Employment Services and Economic Security. What was the reaction, Mr. Speaker, to that important program, that ongoing program of the Manitoba Jobs Fund? What was the reaction from members opposite? I shouldn't say members because there was only one that responded to it and he got up before the actual critic could get up. She was left standing at the back waiting to respond to it. But what did he do? He belittled that project, that project that has provided more money in one year to help community organizations to . . .

**MR. H. ENNS:** I just belittled your fraudulent presentation of it.

**MR. SPEAKER:** Order please.

**HON. E. KOSTYRA:** . . . help churches, to help recreation facilities, to help — (Interjection) — arenas in his . . .

**MR. SPEAKER:** Order please.

**HON. E. KOSTYRA:** No, he says that that project has been on the book for 10 years.

**MR. H. ENNS:** I objected to the fraudulent presentation of it.

**MR. SPEAKER:** Order please.

**HON. E. KOSTYRA:** Mr. Speaker, I think I'll have to take a few moments to explain the program that he's referring to. The program that he is referring to is continuing, has continued, and will be continuing this year on lottery-based revenues. You might try listening to this and you might get — (Interjection) — the program that he is talking about, Mr. Speaker, has existed for a number of years and will continue to . . .

**MR. SPEAKER:** Order please.

**MR. H. ENNS:** Thank you, Mr. Speaker.

**MR. SPEAKER:** Order please. If the Honourable Member for Lakeside wishes to join the debate, he will have every opportunity to do so in due course.

The Honourable Minister of Culture.

**HON. E. KOSTYRA:** Thank you, Mr. Speaker.

As I indicated and as I was trying to say, the program that the member made reference to and the media reported on, is a program that has been in place through lottery-based funding and is continuing this year, Mr. Speaker, and I will be making an announcement within the next three weeks with respect to the program that he is talking about.

But the program that has been funded as an extraordinary program under the Manitoba Jobs Fund is a special program to help stimulate construction activity in the province, to help provide job opportunities in the province; at the same time, helping facilities, helping communities get very important facilities. I regret that he calls those organizations and those projects, "frauds." I think it's regrettable and I know that those organizations would be insulted and if it wasn't true, he would get up and deny that it wasn't a fraud, as he and some of his other members have suggested.

So it is clear that these projects, that this approach of the government has had a major impact on the economy of the province. We recognize now is the time to shift our focus, to shift our emphasis from the efforts that we have put in place, to deal with the unemployment and the severe economic situation that we found ourselves in this province, and we've done that and we've been successful. I mean I don't have to keep on repeating, Mr. Speaker, but to show - at a time when other provinces are still in severe difficulty - that this province is standing alone, in terms of its economic development strategy and in terms of the results, the fairly immediate results of the economic development strategy, I think are important to know.

Because when we took this action, we stood out alone. We were the only province - and not surprisingly because of the philosophy of our government, as compared to the other governments across Canada - we were the only government that stood out and said that we had to have this kind of massive effort.

Again, Mr. Speaker, we stand out today because of the results of that, because the results of that are clear, that Manitoba is leading every other province in Canada, in part because of the actions of this government. You have to ask yourself, why is it? It's obvious, Mr. Speaker, that we must be doing something right if Manitoba is in the situation like it is in today.

Not only to speak about what is happening today and what is happening with respect to the improvement, the considerable improvement in terms of the unemployment situation, we have indicated that we are still concerned, that we are still very concerned that even at an improving rate that unemployment - unemployment for all groups, particularly the youth of our province - is still unacceptably high and that we have to increase and to continue our efforts in terms of developing job opportunities. But we believe that the approach that we have taken in terms of priming the pump, of providing that important short-term stimulation to the economy has worked, because we are on the road to recovery and all of the indicators for the future are ones that are indicating that Manitoba even has a brighter future.

The Conference Board of Canada and others have been revising their estimates in terms of the growth in the Manitoba economy. They've been revising their estimates, Mr. Speaker, not downward, but upward, saying that because of what they see in terms of what is happening in the Manitoba economy, that they have to revise their estimates upwards, that Manitoba is on the move, that Manitoba is growing.

We believe that the government, in co-operation with the private sector and with others, has a very important role to play to ensure that that pump that we started priming last year starts moving on a regular and increasing basis. Those are the efforts that we are directing ourselves to in this year's Manitoba Jobs Fund, that we are shifting the focus from what was needed in the worst time of the recession and it did have obvious impact, by virtue of the statistics that are available and are known to us today - it had an obvious impact - but we now know that the time is to shift that focus.

We are still going to continue, as was announced yesterday, with one specific program. We are going to continue with some of the shorter-term projects, some of the projects that do provide immediate activity in the construction area because that is still a sector that the industry tells us that they need government stimulation, government activity. We are still going to continue with some of the wage subsidy programs to help young people break into the job market, to provide that bit of incentive to Manitoba business to hire Manitoba youth, so that they can work into long-term permanent jobs.

We are going to continue with some of that as a base, but the base is shifting, Mr. Speaker, to the longer term job creation and we've seen an indication of that today, in terms of the new RentaiStart Program that is going to provide an important program for the rental housing field in the Province of Manitoba. It is going

to aid in the development of longer-term jobs, and I know, though I haven't heard, because the announcement was just made, I know that the industry is going to be very supportive of that program because they see the need for joint government business action in terms of that important sector. We're going to see more programs that shift the emphasis to the longer term and we've seen indications of that in terms of the strategy that we adopted with respect to the ERDA negotiations with the Federal Government, wherein we looked at the key sectors, the important sectors in the Manitoba economy.

I should maybe just go back, digress for a moment on that point. You know the opposition and others ridiculed us when we held the first Economic Summit in this province, the first time in the history of the province, where we brought together people from the business community and we brought people together from the employee groups, the labour organizations, people from other levels of government, and from other groups in Manitoba society like the farmers, the Natives, the Metis. We looked at, what can we do collectively to bring about economic growth, economic development in the province? There was a lot of difference of opinion, Mr. Speaker, in that forum, there were a lot of differences. There were some, in business it said well you have to do this and there was some disagreement from others, saying well that isn't what we would agree to, but we did reach common ground in looking at some items in some areas.

In particular, and most important, we agreed on the sectors of the Manitoba economy that were key to long-term development, long-term growth, long-term employment in the province. Those sectors, Mr. Speaker, were identified jointly, by business, by labour and by representatives of the various levels of government that participated at that forum and the Native and the farm people.

You know the list of priorities that we identified at that time are the very same list of priorities, Mr. Speaker, that are listed in the Manitoba Jobs Fund this year, are the same areas that we have targeted for comprehensive attention, comprehensive activity from the Provincial Government in terms of economic development. It relates to the areas that we identified in terms of the ERDA negotiations, the areas that we have been successful, including agreements with the Federal Government on. It pertains to those same areas. It relates to the areas that the Minister of Energy and Mines is working on. It was those same areas that were identified.

It's taken a while, Mr. Speaker, it's not an easy road go down, but we have been working on that stretch right from the early days of this government, right through the most difficult times of the recession. We are now starting to see the ripening of that fruit. We see it in terms of the statistics today, and I tell you, Mr. Speaker, that we're going to continue to see it as we continue down that path.

It's been a difficult one to balance off the needs of the province in terms of providing the kind of assistance to ensure that there was employment entrenched and that there was employment growth at the same time that we maintained the most essential and the most critical of our public services, our Medicare system, our day care system and other areas. It was very difficult.

We had to adjust taxes in the short term to provide the revenue to provide those very important services. We didn't take the route of governments in the extreme portions of this country where they just slashed and cut. You know, Mr. Speaker, when you look at that, that philosophy, that approach did not work. It did not work, Mr. Speaker. You look at the other provinces, what is happening there?

There is recognition now in the sister province of Saskatchewan that their philosophy of a complete open up for business, that you just merely open the doors, that you cut this and you change that, that somehow economic development is going to take place. It's been recognized that it does not work, Mr. Speaker. You cannot take that kind of an approach to economic development, that one-sided approach to economic development that you have to take a comprehensive and a balanced approach in terms of economic development. We are seeing, Mr. Speaker, that is taking place in the Province of Manitoba. It's not only being recognized by myself as a Minister who has a role to play in that, it has been recognized in terms of the hard facts that come out in the statistics in terms of unemployment and in other economic indicators, but it has also been recognized by the business community.

It has been recognized, I don't have to remind you, Mr. Speaker - the statements that were made by the Investment Dealers' Association of Canada. The president of that association said, as soon as he saw the Budget, both in terms of the tax side and in terms of the expenditure side, in terms of what we were doing in terms of economic development, that the investment climate in the Province of Manitoba has never been better, Mr. Speaker. That's what the head of the Investment Dealers' Association of Canada said.

We recently met with the Canadian Manufacturers Association, the president of the Canadian Association and the representatives of the association here in Manitoba. They were very pleased, Mr. Speaker, with the overall actions of this government. They believe that we were taking the right course in terms of economic development. They had some criticism of some government programs, and I don't believe, Mr. Speaker, that they are going to be pleased with everything this government does, but they were pleased, they were supportive of the overall direction that this government is taking in terms of economic development.

We are, as I indicated, Mr. Speaker, on the road to significant developments. We have weathered the worst part of the recession, and we have moved along the road. It's still going to be a difficult road; it's going to take a lot of work in terms of government action. It's going to take a lot of effort from other levels of government. It is going to take a lot of effort from the business community and from the working people and their representatives through their unions in this province in order to sustain the economic recovery that we have undertaken in this province.

But, Mr. Speaker, it is clear, it is very clear that notwithstanding the comments, the points that were raised, that the Manitoba Jobs Fund was a "fraud" fund, that the position that my Premier, our Premier, took with respect to other provincial government leaders and the Federal Government leader, the federal Prime Minister in Ottawa, that we needed a comprehensive

effort by governments, notwithstanding the ridicule of that, the ridicule of the Minister of Finance, when he presented, what was laughed at, as a wish list of impossible dreams, I think someone called it. That strategy, that approach, is working. It's working in terms of what we see today in terms of the statistics and it will continue to work because we do have a different approach, a more visionary approach in terms — (Interjection) — of the Manitoba economy and what we can accomplish in terms of the Manitoba economy. The Member for Morris says in spite of what we have done, Mr. Speaker - in spite of what we've done.

**A MEMBER:** You've managed to hang in.

**HON. E. KOSTYRA:** "You've managed to hang in," well, Mr. Speaker, that simply is, and I guess I'm going to have to spend a little bit of time to research some of the things that that member has said and other members said in terms of previous Budgets, in terms of the Manitoba Jobs Fund, how that was nonsense, how that wasn't going to work. You know, because it has worked, Mr. Speaker, and the statistics and the situation does work, and it's in stark contrast to what approach has been taken by other governments. There are even more neutral observers that are recognizing that that approach does not work. That approach, that archaic approach, is simply not relevant to the 20th Century, Mr. Speaker.

So I believe that we are on and I believe that finally - and it's taken some time and it's been difficult for us here to see that vision, to work down the road, the time when the sceptics were there saying it's not going to work, that it's a waste of money, that it's frauds, it's wish lists, that it's this and that, it's only short-term jobs. They made reference to the fact that there were some one-day jobs. Sure, there were some one-day jobs, Mr. Speaker, but the statistics today tell you there were a lot of long-term jobs that were created in this province. It was, in part, because of the efforts of this government.

So it's been difficult for us on this side to continue down that road, Mr. Speaker, to listen to that criticism. It's taken our efforts to show that strategy does work. We are going to continue to work on the longer term, the announcements that are being made by my colleagues in terms of the longer term economic growth, and economic development in the province I think are a clear indication that we are working on the long term. We are keying in on the key sectors of our economy, our very important small business sector. My colleague, the Minister of Business Development and Tourism, is working very hard in terms of ensuring that we maintain and we encourage the growth of our small business in the province.

We are working on a number of programs through my department in terms of technology to ensure that we can transfer, that we can assist Manitoba business to adapt to changing technology, not shooting for the impossible dream of creating some kind of a silicon valley or, even to a lesser extent, an Ottawa valley here in Manitoba, but very realistically and in a very targeted way looking at what can exist, what can develop in terms of using existing technology, transferring it and ensuring that Manitoba business, Manitoba manufacturing can benefit by that changing technology.

We are doing it in terms of our important area of natural resources. We have seen what has developed in terms of energy and hydro. We are continuing with programs. My colleague, the Minister of Natural Resources, has been working very hard in terms of our important forestry industry that has gone through some rough times but has been maintained. We still think there is future development on that very important renewable resource in the province.

We are continuing with our efforts in terms of our agricultural economy, particularly in the area to expand the value and range of products which lend themselves to further processing in this province. We're going to be continuing and increasing our efforts in this regard. We are going to continue our efforts in terms of ensuring that Manitoba does get back its place as a major transportation centre for all of Canada and all of the North American continent. That has been indicated I think very clearly through some of the programs that we've been able to negotiate with the Federal Government, and there's certainly going to be more happening in that regard.

We are also going to, in keeping with our comprehensive approach, ensure that we do work on sectors like the co-operative sector and other important sectors in the Manitoba economy because, as I indicated when I started my remarks, Mr. Speaker, this government does have a different philosophy, does have a different approach in terms of economic development, economic strategy, an approach that unfortunately is not shared by any other government in this country. We've had to stand alone and I guess, unfortunately, we're going to have to continue to stand alone in terms of our policies, because we believe that there is a role for government in terms of economic development to act as a stimulation to the economy. There is a role for the government to look at the key sectors of the economy, not to just put all of the eggs in a couple of baskets and hope that something will happen.

We would deal with a comprehensive approach to look at building on existing strengths and we will also ensure, Mr. Speaker - this is another way that we differ and that we are different from other governments right across Canada - is that we believe that we have to ensure that in that process of economic development that we ensure that there is maximum benefits for all Manitobans whether they be people in our rural communities or in our urban communities, our Native people in our reserve communities or our Metis communities, whether they be small businesses or large businesses - we have to ensure, and that's where government's got a very important role to play - to ensure that those benefits are maximized for all Manitobans. I don't forget that, Mr. Speaker, and I have been committed to that as long as I've been in politics as are all my colleagues. I think we're seeing the results of that.

The proof is in the pudding, Mr. Speaker. This government must be doing something right if we're at a situation now where we are No. 1 in Canada. We're going to continue to work to ensure that we don't rest on laurels, that we don't say, well we're improving, let's slow down. We have to increase our efforts because there still are many people unemployed. We have to ensure that we do create more longer-term job opportunities so that more Manitobans will be able to benefit by the recovery, Mr. Speaker.

I think it is clear, in summation, that our actions, that the things that we were ridiculed about, and you heard all the debate in your position, Mr. Speaker, all the ridicule that was heaped on this government was false, was not appropriate because the proof is in the pudding. Manitobans are working again, Manitoba is on the move and it's due in part, Mr. Speaker, and I don't for one minute take all of the praise on members on this side of the House. It's taken the efforts of other levels of government. It's taken the efforts of all Manitobans, but it has been provided by the leadership provided by this government, by all of us on this side of the House. We're going to continue to provide that leadership, continue to stand alone as a government in Canada, because we believe it's important to ensure that we do have long-term job creation and we do provide those benefits for all Manitobans.

**MR. SPEAKER:** The Honourable Member for Sturgeon Creek.

**MR. F. JOHNSTON:** Mr. Speaker, I think you have to be rather calm and feel sorry for the government quite frankly.

Mr. Speaker, the member kept making reference to all our criticisms. I wish he had listed them because the word "all" sounds encompassing - that there's thousands of criticisms. The criticisms, basically, have boiled down to the Jobs Fund. The Minister admitting that the Jobs Fund was a fund that would just create jobs any way possible whether long-term or whether not long-term, and of course adds that the future direction will be for long-term jobs, but does make the admission that the Jobs Fund was set up - so we criticized the Jobs Fund. We called it the "fraud" fund.

Mr. Speaker, what do you call a fund that when somebody takes the money that would ordinarily be used within the departments of the province and spent within their budgets creating jobs for people such as roads, such as Destination Manitoba, such as Enterprise Manitoba. All of these areas of funding that was in the departments - they took the money and they said, well, we are going to call it a \$200 million Jobs Fund. Now, Mr. Speaker, if that isn't frauding the people, if that isn't telling the people something that is not correct, I can't believe what other name you can give it, other than the "fraud" fund, because there was only a small amount of the \$200 million that was new money.

Mr. Speaker, if the government had stood up and they had said, we are going to have a program of monies that were already involved in budgets to be used for employment, we're going to add some money to it and we are going to use those monies to create short-term jobs, jobs at any cost, then you might not have called it a "fraud" fund, but the way it was presented . . .

**A MEMBER:** That's right.

**MR. F. JOHNSTON:** . . . but the way it was presented — (Interjection) — Yes. I'm wondering who I'm getting to at the present time.

**A MEMBER:** They're starting to agree with you, Frank.

**MR. F. JOHNSTON:** I could forgive him if he sat in any other chair but that one, Mr. Speaker.

The Minister is very surprised at the fact that we called the Jobs Fund the "fraud" fund.

**A MEMBER:** Well, that's the truth, Frank. That's what it is.

**MR. F. JOHNSTON:** Mr. Speaker, that's exactly what the government did. They did not tell the people about the facts of the Fund.

Mr. Speaker, the Minister has talked about the unemployment in Manitoba and we heard about it all morning today. We, I guess, certainly think that Manitoba leading the country in unemployment is a good thing, but you know, Mr. Speaker, the patting on the back that was going on this morning because we are first and leading the country is something that you have to be careful of because I can assure you that when you start puffing out your chest the way the government was this morning and creating questions within the House the way they were, that it will backfire on them.

I know, Mr. Speaker, because you know for the last several years we have always been first or second or third as far as unemployment is concerned within this country. Mr. Speaker, I hear the Minister say, "very seldom." I remember the time the Member from Transcona stood up in this House and was critical because we had dropped from second to third. I can remember the Member from Transcona saying, "You know we have been second for several months and we dropped to third." Mind you we moved up to second again very shortly, but we have been first, second or third in this country for many years. Not first, I admit, but for many years. The members on the opposite side talk about the number of jobs, the more people employed, that the unemployment rate has dropped in numbers - and yes, it has - will you tell me a time in the history of this province that it didn't drop in the summertime?

**A MEMBER:** Right.

**MR. F. JOHNSTON:** The honourable members just love to grab any statistic figures they can get their ahold of and they say, there's the statistics, but do they ever look back and see the reason why?

**A MEMBER:** Right.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. F. JOHNSTON:** Do they ever see the reason why, Harry?

**A MEMBER:** No.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. F. JOHNSTON:** Seasonally adjusted, did you ever see the reason why? I can tell you that there's never been a time in this province when jobs didn't increase in the summertime.

Mr. Speaker, if the Member for Thompson thinks that we don't have winter in this country, and more unemployment in the winter than we do in the summer

he has to, I've often told him he's got to grow up and get the wetness from behind his ears because if he doesn't realize that he's wrong.

Mr. Speaker, you see it doesn't take much to arouse the government at any given time. You see they get up and they speak, and they talk about all the marvelous things that they're doing. You know within five minutes you show them where they're going wrong and they start screaming their heads off.

Well, Mr. Speaker, the Minister just referred to the Economic Summit that was held in . . .

**MR. DEPUTY SPEAKER, P. EYLER:** Order please, order please.

The Honourable Member for Wolseley on a point of order.

**MS. M. PHILLIPS:** Mr. Speaker, I wondered if the member would permit a question.

**MR. DEPUTY SPEAKER:** The Honourable Member for Sturgeon Creek. Order please.

**MR. F. JOHNSTON:** Yes.

**MR. DEPUTY SPEAKER:** The Honourable Member for Wolseley.

**MS. M. PHILLIPS:** I'd like to ask the Member for Sturgeon Creek whether he recognizes the difference between the monthly unemployment rates, and the seasonally adjusted unemployment rates?

**MR. DEPUTY SPEAKER:** The Honourable Member for Sturgeon Creek.

**MR. F. JOHNSTON:** Certainly, Mr. Speaker. I didn't say I didn't recognize or know how to read the reports at all. I just merely said, I said what are facts. I said the facts are that employment increases in the summertime in this province and always has . . .

**HON. L. DESJARDINS:** And always will.

**MR. F. JOHNSTON:** . . . That's right. Now, Mr. Speaker, would the members on the other side speak to the Member for St. Boniface because that's what I was just telling them and they didn't believe it.

Mr. Speaker, the Minister mentioned the Economic Summit. You know, Mr. Speaker, it was an embarrassing day when I tabled Mr. Martin's letter to the Minister at that time about the Economic Summit which stated that the Portage la Prairie Summit was good from the point of view that the government got a lot of publicity, criticized the second meeting from the point of view that it accomplished nothing, and there was no follow-up, and said if this is the way you're going to handle it there's no way that it can — (Interjection) — there hasn't been another Portage la Prairie meeting. There hasn't been another Summit that I know of. There has been some things organized. There have been meetings in Portage with the whole Economic Development Department or small business department going out there. Small business department, just held in a hotel, took the whole department for a day over in a hotel,



and spent money on conferences with the department, and those type of things that are happening.

But, Mr. Speaker, I assure you that the discussions that the Minister had with business just didn't accomplish the same thing as he talked about. The government went ahead with the Jobs Fund and did not create any long-term jobs. Now that's the admission of the government.

Mr. Speaker, the Government of Manitoba has a philosophy about government investment, and government incentives, and government creating the economic climate with private industry. I would have to say that the philosophical approach of the government, at the present time, is one of wanting to have much more control over the economic, or the business conditions within this province than they should have. It is control over how people operate; it is control over where you operate; it's more control than the investment people want to have, Mr. Speaker.

When the Minister talks about Saskatchewan, I suggest that the NDP philosophy in Saskatchewan of control over businesses, operating all the businesses is what defeated them because that is the problem that the NDP Government created in Saskatchewan. It is the problem that the NDP Government created for eight years in the province before. It is the reason why the people of Manitoba basically moved the NDP Government out of office. The reasons they came back in is because they presented a program during the election that was absolutely fraudulent as far as the statements within the program were concerned. Mr. Speaker, that is what we're talking about. We're talking about a government philosophy that is more control and running people's lives.

You see the Member for St. James probably - he doesn't need to wonder why I'm disappointed with him. I get disappointed, and I get hurt, and I feel sorry for people whose principles change 100 percent. He has lost them, and become that type of a person because he didn't used to believe, when I was with him on council, that he should be dictatorial and control everybody, when I was on council with him I should say. But people do change. I guess if you run with them you change.

Mr. Speaker, getting back to the unemployment rates that we were talking about, the young people in the province, and the Minister says that the young people of this province are his concern, and certainly should be a concern. He speaks about the area of producing long-term jobs for young people, and I must say that we all hope that we can create long-term jobs for young people within this province. We all hope that when the resource industries get moving within the provinces to the west of us that we will not lose our young people to the west as we have, and I said this last night - for centuries, well not centuries, for years we've fought that situation in Manitoba. We would hope that that situation won't occur again. But I assure the honourable members when the resource industries move back into full swing in the other provinces we have to be very conscious of the fact that we could lose young people if we do not develop our industries within this province.

Mr. Speaker, the young people that are unemployed today are rather disgusting. I have a young group of people painting our house from the university at the present time. I go out and I talk to them the odd morning and we look over the job that they have been doing,

and they do a good job, and they're concerned about the way they're doing their work. But their biggest concern is their future, their biggest concern is their future because it doesn't look very good for them at the present time.

Mr. Speaker, the Government Minister, who is the leading Minister regarding the Economic Development, and I use that word, it's called industry now, has really and truly got a problem. Here we have a Minister who stands up in this House and he talks very sincerely about long-term jobs. He talks very sincerely about creating long-term jobs within this province. He talks very sincerely about going out, and we're in his Estimates right now, going out and attracting investment in this province, and this is the Minister that sits by as the head of the industrial development of this province and allows a payroll tax to be in this province. This is the Minister that sits by, or I hope he's not sitting by, taking a look at the White Paper on labour legislation that may be presented to this province. This is the Minister who should be sitting at the table and saying, you know, this will harm investment in this province. This will scare people away from this province, not bring them in, that's what the Minister should be saying. But he's not, he's not saying it. He is at the present time a strong Minister, I believe within the government, but a strong Minister that's being pushed around by all of the other Ministers over there when it comes to having a program of economic development.

Mr. Speaker, it's very nice, it's very nice. You know the Minister can go down to Cabinet all he wants, and he can present all of the programs he wants to Cabinet about what he is going to do, and then the Cabinet turns around and puts in programs that will stop him from doing it. You know that's kind of what you call — (Interjection) — the Minister says, "I'm smirking." Quite frankly I'm not too sure - pardon me, the Minister corrected me. He said, "It's working." But I'm not too sure, Mr. Speaker, that this Minister has the power that we all think he has because he's not able to stop the radicals over there from putting in programs that will harm investment in this province.

So, Mr. Speaker, I would hope I'm wrong but it doesn't appear as if I'm wrong and the proof is in the pudding. That's something that the Minister used a little while ago, that type of an analogy. The proof is in the pudding. He is allowed to go out and talk about great things, but then when it comes to the point where he has to say what you're doing is going to harm investment within this province, he doesn't get listened to.

Mr. Speaker, I would hope that would change and I'm fully aware of the problems that an Economic Development Minister or Industry Minister can go through within Cabinet. I'm fully aware of that. — (Interjection) — But, Mr. Speaker, I would suggest that if the member is so great on statistics, she just has to take the book that was put out by the Department of Economic Development last year and she would find that manufacturing dropped from '75 to '79 or '78, just like that. She would find that manufacturing went up during 1979 to 1981 and that manufacturing investment went down — (Interjection) — well, the employment figures are good, but I must say to you that Manitoba stands 10th in Canada in manufactured product shipments out of the province.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. DEPUTY SPEAKER:** Order please.

**MR. F. JOHNSTON:** You see, here we are. Manitoba used to ship export, percentage wise, against the rest of Canada, we stood about second or third or fourth. We always stood ahead of Saskatchewan and Alberta. They shipped resources. Their resource shipments moved ahead of us and were always ahead of us continually. But, Mr. Speaker, the Province of Manitoba always was ahead of the western provinces in goods manufactured shipments. We were an export province. Now we're tenth. Now isn't that something? That really means that the Minister was right when he said the Jobs Fund are short-term jobs and the long-term jobs are suffering within this province. — (Interjection) —

**MR. DEPUTY SPEAKER:** Order please.

**MR. F. JOHNSTON:** I hear the Member for Inkster making some suggestions from his seat about the fact that I've been in sales all my life and what my vocation is. Mr. Speaker, I tell the member, I'll stack my life up with his anytime. Mr. Speaker, I'll stack any part of my life and my principles and everything up with his anytime.

Mr. Speaker, as I say, we are down in our manufacturing. The Minister says that he is going to do everything possible to build the manufacturing. In the Estimates last night the Minister made it very clear that he was concerned about the manufacturing investment and private investment within the province. But you know, how do you do anything about it when you've got everything working against you?

They all have been blowing their horn about the fact that the Canadian Manufacturers Association president was stopped in the hall and made some statements the minute he came out of the Cabinet room. Nobody has ever talked about the press conference that was held down in the hotel - it was the first conference that was recorded. In that particular conference there was some concern shown about the Province of Manitoba, from the point of view that their legislation was such that could discourage employment.

Remember the Investment Dealers' Association? Everybody is always pleased when you hold your budget to a certain percentage, a small percentage. Mr. Speaker, the Investment Dealers' Association would regard that as something that should be done in this day and age, and they said so, and they would say that to any government, that that was the right direction, or any government that was taking that attitude.

But the Investment Dealers' Association, when they say that the climate for investment is going to be good in Manitoba, have not examined the facts. The head of the Investment Dealers' Association obviously didn't see the new White Paper on labour legislation. He obviously didn't see some of the control mechanisms which we see being put out over business at all time. He obviously didn't know that when you visit the Department of Industry or the Small Business Development Department that there is concern that the companies, when they come to this province, where they're going to locate and maybe they will be told where to locate.

He also didn't know that some of the arrangements that the Minister of Energy and Mines is making could

put us into having the largest per capita debt - not the second-largest in Canada - but the largest per capita debt, very very easily. He also didn't realize that there was sitting around the table within the government, the elected members of government, people who do not like business, banks, or anybody that is in the private industry within this country. He didn't also examine and research the fact that profit is not a good word around the Cabinet table or the caucus room of the NDP government. — (Interjection) — So, Mr. Speaker, I just heard the Member for Thompson say, ask people what they think. The University of Manitoba took a poll and asked the people what they think and they told you, they don't think very much of you.

Mr. Speaker, I can assure you, we know what the people of Manitoba think and if the government, for one minute, thinks that we don't know that you don't have the same polling and the same results being done by your party, you have the same information, and that's why we have these announcements every day. Every day they stand up and there's another announcement because they know what the polls say.

They know that the policies that the Minister was just talking about, the Jobs Fund policy that he said has worked so well, the people of Manitoba, when they were taking a poll a year and one-half after the Jobs Fund was presented to this province, that this government is so far down that the people must have realized just what they were doing. The Jobs Fund didn't increase them in the polls. As a matter of fact the University poll said they were down. The polls that are available and the ones that are being taken by national people, you sometimes see them in the paper, the announcements that they've made every day in the House haven't done a thing because the people of this province know that when you have a government that talks big about what they're doing, spends 1.2 million on advertising about what they're doing and then turns around and passes legislation that will do exactly the opposite from what they want to do and has the philosophy that is detrimental to the private investment or attracting private investment that people have finally realized - and they realized it after eight years before and they have now realized it in two, because I want to tell you, Mr. Speaker, this group, except for three or four, maybe five or six, are so incompetent compared to the Schreyer Government than I have ever seen. Absolutely incompetent compared to the Schreyer Government, and the Schreyer Government after eight years was gone. These fellows are so incompetent that after two years the people of Manitoba have lowered them into the polls, probably as low as any political party has ever been.

Mr. Speaker, I hear some chirping from the gentleman who used to wander around and use his position to get close to everybody, but I will tell you that he talks about us going in four years, hold an election tomorrow. Mr. Speaker, hold the election tomorrow. Mr. Speaker, we really don't need to worry about the comments from the other side. If they think they're so good, if they disagree with me that they would be kicked out in two years, if they disagree with it, there is a way of proving it. It's very simple. Prove it. That's the democratic system. If you think you're so good, you have a way of proving it.

Mr. Speaker, we now have a situation in Manitoba where the statistics within this province at the present

time are talking about how there's going to be investment within the province. Mr. Speaker, the investment within the province is now about 70 percent public and about 30 percent private. Mr. Speaker, the people from the Investment Council of Canada would be very concerned about that particular situation. Those people would be concerned that it swung around from about 70 percent private, 30 percent public, to the way it is at the present time.

Mr. Speaker, the truth always hurts. The reason why private investment is going to be showing an upward trend from the conference board, is as I told the Minister last night, the core area expenditures are a large incentive of public money - the only way the private investor can invest, they encourage him to invest by putting in public money. You find that every type of investment you see at the present time, the public investment in the province, the new building of the Air Canada, we see a program today of \$22 million, which is always welcome in the housing industry or the accommodation industry, but don't get any idea that because of your private investment, figures are moving up, that it's because you have been able to convince people to come in and invest in this province because of the climate in this province for business. You haven't been able to bring them to this province to convince them that this is the place to do business. You haven't been able to convince them that you're a government that has a good attitude towards business. You've only been able to work the private investment up by putting out incentives.

We saw today, there is going to be \$22 million of incentives for the private industry. We often hear the figures - and I used to receive them. In fact, we hear the figures that the public investment had a spinoff of creating, if it's \$1 million in public, it had a spinoff of getting \$6 million in investment. The same as the core area says that we are going to spend X number of dollars publicly and it will spinoff into a tremendous amount of private investment. Mr. Speaker, that's the reason why you've got your private investment figures going up. But there aren't the figures for private investment about companies coming to establish manufacturing or new businesses within this province are down. The Minister has to realize that.

The programs that the Minister puts forward or talks about for the benefit of all Manitobans, as he puts it, is something that I don't quite understand. I don't understand it, Mr. Speaker, because I think we're here as a government to benefit all Manitobans, and we would hope that any programs that are successful are designed to do that. The benefit to all Manitobans is jobs, permanent jobs.

Mr. Speaker, the senior citizens within this province, if you've ever chatted with them, have a tremendous concern that their children or even grandchildren may not be able to work in this province and enjoy the life that they have enjoyed. Parents in this province are very concerned that their children will not have jobs within this province, and I remind the Member for The Pas that when he says people have more peace of mind, then I ask him to read the poll that was just taken about their feelings of peace of mind towards this government. As a matter of fact, Mr. Speaker, in Northern Manitoba, where they hold all the seats, we lead them in the last poll that was taken.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. SPEAKER, J. Walding:** Order please.

**MR. F. JOHNSTON:** Mr. Speaker, I've touched another nerve. The nerve that I have touched again is the fact that all of this talk by this government about what they are going to do, they now know that the people realize they haven't done a good job for the past two years. They now know that we have a Minister of Industry that hasn't got any power within Cabinet to stop the other members from creating a bad investment attitude within the province. Mr. Speaker, we now know that the investment intentions that we see from the conference board are only there because of government incentives or government partnerships with the private industry.

Mr. Speaker, we now know that the investment of somebody coming and locating their manufacturing plant within this province - we now know that anybody wanting to come to this province because of the atmosphere and because of the government - we assure you that we now know that they won't come because this government has not created an atmosphere that will do that.

Mr. Speaker, I am saying to you that investment and potential investment does not look good from this government. I hear the previous Minister of Economic Development talking. — (Interjection) — Mr. Speaker, I've heard about Toro in Steinbach. — (Interjection) — That's right, but if the Minister believes for one minute that he got Toro over and above the efforts of the people of Steinbach who are enterprising people, he's wrong.

**A MEMBER:** Right.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. F. JOHNSTON:** That's right. Climate.

Mr. Speaker, there are some situations - if you manufacture in Minneapolis and you want to do some small manufacturing in Canada, there is no better place to locate in Manitoba because of the easy access back and forth within the plants, but you'll notice where they located. They located in an atmosphere that is free enterprise and really has something to offer that company.

Mr. Speaker, we know that those things happen, but the long-term - Mr. Speaker, I feel sorry for the Minister and I've said this three times in my speech. He is not able to put the long-term development into results because of the attitude, because of the legislation and because of the complete - in some cases - hatred of the private industry.

**A MEMBER:** Oh, nonsense.

**MR. F. JOHNSTON:** Mr. Speaker, nonsense? Ask the member behind you from St. James what he thinks of big companies and banks and everybody else.

**MR. SPEAKER:** Order please.

**MR. F. JOHNSTON:** Ask him where his principles have changed.

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

The Honourable Minister of Natural Resources.

**HON. A. MACKLING:** Mr. Speaker, I am delighted to put on the record, some of my concerns at this time in respect to initiatives taken by this government and reflect on the difference of the attitude of this government, governments elsewhere in Canada and the previous administration in this province.

Mr. Speaker, there is a fundamental difference between the approach of a New Democratic Party Government and that of the Conservative and Liberal spokesmen throughout the country. The difference is, Mr. Speaker . . .

**MR. H. ENNS:** I just want you to know, Al, you're grieving against your own government, just keep on grieving.

**MR. SPEAKER:** Order please . . .

**A MEMBER:** It's a government that needs to be . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order please.

**HON. A. MACKLING:** Mr. Speaker, not only do we believe in development, we believe in that development being for the benefit of people. Mr. Speaker, throughout this country, throughout North America, we've seen a retrenchment on the part of enterprise. We've seen a withdrawal, a concern, Mr. Speaker, to cut back in the face of difficulty. Mr. Speaker, our approach is not to say that the least government is the best government, but a caring government, a government that's involved, that demonstrates commitment, that demonstrates and recognizes that government has a responsibility in connection with the economy. That is the difference, Mr. Speaker.

The previous administration in this province adopted the attitude that it's the engine of private enterprise, only the engine of private enterprise, that makes the economy work. The role of government is to sit back, deregulate and where government asks for it, give them money to stimulate their enterprise, but stay out of the boardrooms. Don't get involved. Let those who are in the private boardrooms make the decisions. If they care to invest, fine. If they don't invest, well there's a problem. Perhaps we can assist them by giving them some money. That is basically the approach.

Mr. Speaker, despite the fact that throughout the world, successful governments have demonstrated that the way that you get an economy working is to have governments sit down with business and labour, look at the comparative advantages that we have, the strengths of our employment base; our employees; the natural resources we enjoy; the comparative market advantages we enjoy. Looking at all those factors, develop the strengths of our people in a planned, reasonable pragmatic way. Not in a doctrinaire way, but in a reasonable way. That's been demonstrated, not just here in Manitoba, it's been demonstrated for a couple of decades in Japan, in Germany, in Sweden,

places where they are not hidebound by doctrine or philosophy. They're concerned to make their economies work for the people and they have shown success, Mr. Speaker. That is the attitude that we have, Mr. Speaker. Develop a system that can nourish on the strengths that we enjoy.

Mr. Speaker, what kind of demonstration have we given to business in Manitoba? We've demonstrated that we are prepared, that the public is prepared to invest in the strengths of this province. We not only continued to invest in health and education, but we're prepared to invest in our communities. Members opposite derided Main Street Manitoba. They ridiculed that program. Some of those members who have ridiculed those programs come from constituencies who are now lining up to be involved, Mr. Speaker, to be involved in a program that demonstrates government concerns about community well-being, a government through a jobs program that is involving communities in improvement in those communities. That's a caring government being involved in community strength. That's important, Mr. Speaker. It's positive. It's not sit back and say, "Well, hopefully someone will do something that will stimulate the economy." It's showing that we as a people with our collective will can do something for ourselves and the finest agency to do that, Mr. Speaker, is government.

We have demonstrated that the tool of government can be used successfully and responsibly. Mr. Speaker, that is the reason there's a difference in the statistics. There's an involvement. If you as a private businessman saw a government that sat back and was doing nothing, would you feel confident about investing more in your plant and equipment, hiring more people? Where is the atmosphere of confidence and hope? There wouldn't be any, Mr. Speaker, but what we have been doing is demonstrating that we believe Manitoba is rich. That its people are hardworking. That we will prosper.

Mr. Speaker, we have made significant investments but, Mr. Speaker, our investments have triggered even greater investments from other levels of government. When, Mr. Speaker, we talked in this House about the visionary prospects, and they were visionary, Mr. Speaker, of opportunities for economic development in which we could encourage federal investment, members opposite thought it was silly. They thought it was wishful thinking, it was dreaming.

Mr. Speaker, people, the world over, have recognized that people can have vision and hope for a better economy and a better future, not sit back and condemn the situation for what it is and say, well, we have to wait and do nothing.

**SOME HONOURABLE MEMBERS:** Oh, oh!

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

**HON. A. MACKLING:** Mr. Speaker, from the very outset, this government has not only demonstrated concern, it has demonstrated that we are prepared to consult, to sit down, talk, understand the issues that business and labour have. For example, Mr. Speaker, in respect to the development of labour legislation in this province - I'm sure the Minister of Labour will have much more to say in the coming days about that - but she has sat

down and her officials have sat down and listened and talked in a consultative way. Because, Mr. Speaker, that is the reasonable way, that is the way in which you demonstrate confidence in other people, in their views, and can strengthen the programs that you develop.

We have consulted, Mr. Speaker, but we haven't just listened and done nothing, that is the difference. When people throughout this country were reflecting on the terror that high interest rates were affecting in the hearts and in the homes of people and the business of people throughout Manitoba, we acted. We acted to relieve the cruelty of high interest rates; high interest rates that members opposite supported in days gone by.

They supported that monetaristic theory that was developed in the United States, that trickle down benefits of economic theory that have been so popular. Mr. Speaker, we acted, we just didn't decry those high interest rates, we acted to help people. Mr. Speaker, people throughout Manitoba, even Conservatives, not opposite, even Conservatives and Liberals have said, well, we may not agree with everything you do, but you've demonstrated care and concern. You have acted to help some people. Now, that is fact, Mr. Speaker.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order please.

**HON. A. MACKLING:** Mr. Speaker, I know that the Honourable Member for Pembina is discomfited by the fact that we have demonstrated a measure of success in efforts that we are making. I know that is a problem. It is a problem, Mr. Speaker, for those knockers who want to see Manitoba suffer, because it is in their political interest that we do not succeed.

Mr. Speaker, we have demonstrated with our acts, not with hollow words, that we care, that we are concerned, and that we're not prepared to sit back and say, well, there's very little we can do, and the role for government really is to wait for private enterprise to fix everything up. Mr. Speaker, despite the fact that is the view of doctrinaire politicians in the Conservative and Liberal Parties, the way they do fix things up is by providing tax concessions - tax concessions that are available to only the privileged few.

Earlier on in this Legislature I remarked about the fact that there are corporations - some of the most wealthy corporations in Canada - who owed \$24 billion in taxes to the Federal Government, and Mr. Speaker, they do not pay one penny of interest on those deferred taxes. Spokesmen for those companies, I'm sure that are friends of the Honourable Member for Turtle Mountain, who now apparently are defending their interest, are saying, Mr. Speaker, that it probably will never come to pass that we will pay those taxes.

Mr. Speaker, but farmers, individual small businessmen and farmers in the constituency of the Honourable Member for Turtle Mountain cannot get those benefits. If they owe \$1,000 in taxes they must pay, or that tax man will cometh. The Conservative Party had a road show, Mr. Speaker, and they highlighted the attacks, the attacks of the government tax system in securing payment from small businessmen and farmers and workers throughout this country. But what they didn't expose, Mr. Speaker, is the fact that

the large corporate friends who donate those vast amounts of money to fuel a political spokesman for them, do not pay taxes. Well, Mr. Speaker, the fact that what I say, is truth and hurts, is indicated by the feverous gibberish that I'm hearing from opposite.

**A MEMBER:** Your nose is growing, Al.

**MR. SPEAKER:** Order please.

**HON. A. MACKLING:** Mr. Speaker, this government has demonstrated confidence in the economy of Manitoba; confidence, that for example in respect to forestry, that there will be an opportunity for Abitibi price and Manfor to continue to develop those industries.

**MR. SPEAKER:** Order please.

The Honourable Member for Pembina on a point of order.

**MR. D. ORCHARD:** Mr. Speaker, I wonder if the Minister might allow a question, as my colleague . . .

**HON. A. MACKLING:** At the conclusion of my speech, Mr. Speaker, I'll be happy to.

**MR. D. ORCHARD:** So you're afraid of a question?

**MR. SPEAKER:** The Honourable Minister of Natural Resources.

**HON. A. MACKLING:** Mr. Speaker, in view of the fact that my time is very limited, I do not wish to be sidetracked by the foolishness of the Honourable Member for Pembina.

Mr. Speaker, we have demonstrated to those forest companies that depend upon the forest for a continued resource, we have demonstrated that we are prepared to invest in our natural resources. That's the kind of demonstration of confidence that business understands, Mr. Speaker.

**MR. SPEAKER:** Order please.

The Honourable Member for Turtle Mountain on a point of order.

**MR. B. RANSOM:** The Minister made an allegation a few moments ago against members on this side of the House.

**HON. A. MACKLING:** There's no point of order, Mr. Speaker.

**MR. H. ENNS:** Certainly it is, sit down now.

**MR. B. RANSOM:** That spokesmen on our side of the House were financed by large corporations, who received contributions from companies that didn't have to pay tax. Mr. Speaker, if he will look in the Elections Commission Report, he will find that . . .

**MR. SPEAKER:** Does the honourable member have a point of order?

**MR. B. RANSOM:** . . . the New Democratic Party received more money in contributions of over \$250 than the P.C. Party did and that in contributions under \$25, the P.C. Party received more. Unless that Minister . . .

**MR. SPEAKER:** Order please.

**MR. B. RANSOM:** Mr. Speaker, unless the Minister can prove that allegation . . .

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

The honourable member did not have a point of order.  
The Honourable Minister of Natural Resources.

**MR. H. HARAPIAK:** Harry, sit down, you've abused the rules enough for one day.

**MR. SPEAKER:** The Honourable Member for Lakeside on a point of order.

**MR. H. ENNS:** Mr. Speaker . . . (inaudible) . . . statements that left unchallenged on the record that have a way of being used in a much wider way, and my colleague is absolutely right, in correcting and asking for withdrawal from that statement. He made allegation that the Conservative Party members are being funded by large companies that don't pay taxes.

**SOME HONOURABLE MEMBERS:** Oh, oh!

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

If other members of the Chamber have different differing opinions from that of the speaker, they will have the same opportunity to put them before the House as the present Minister.

The Honourable Minister of Natural Resources.

**HON. A. MACKLING:** Mr. Speaker, the honourable member might want to check the donations that are made by the banking institutions, the trust companies in this province, for which they are spokesmen, for which they say there should be high interest rates. They're the people who received those large donations from the banks, Mr. Speaker, and the records prove it. I know it is discomfoting to them to hear that kind of relationship exposed to them, but that is fact, Mr. Speaker, and they can't deny it.

We are indicating confidence in our economy, Mr. Speaker. We are investing in the future of Manitoba so that small businessmen, middle-size businessmen — (Interjection) — yes, even big businessmen in Manitoba can say, here is a government that is prepared to see a continuance of economic activity in Manitoba, whether it be in forestry, whether it be in mining, in transportation, in hydro-electric development. They are seeing a government that is actively concerned with investment in our future, Mr. Speaker.

Despite the continual "nay" saying of members opposite, people in Manitoba recognize that here is a government that will, that is prepared to listen, that is prepared to be pragmatic, objective. Mr. Speaker, a

government that has demonstrated a willingness to consult and to act in consultation with the best interests of Manitobans.

Mr. Speaker, honourable members opposite typify the kind of unusual attitude that I find. They say, Mr. Speaker, that somehow we hurt business with our Health and Post-Secondary Education Levy, and we've heard it. They call it, in derision, a payroll tax, but when they are forced to live up to the problem of where they're going to find tax revenue, then they equivocate. Some of them say, well, we didn't know whether someone was a member of the Conservative Party or not when he said that the role for a Conservative Government would be to lay on a couple of points of sales tax. No, no, that couldn't be a Conservative saying that.

Members of the Conservative Caucus have indicated some affinity for that position, but those who say no, we wouldn't provide any additional tax; what do they say, Mr. Speaker? - we will cut, cut, cut, cut. Where will they cut? They never give us any specifics, Mr. Speaker. I'll tell you, Mr. Speaker, where they would cut. They would wield the broad axe that Conservative Governments have demonstrated in other parts of this country. They attack labour, Mr. Speaker. Their approach to providing fuel for the private enterprise engine is to attack labour, cut wages. That's the theory in British Columbia. That's the theory that's adopted by the dogmatic doctrinaire Conservative philosophy that we see elsewhere argued in this country. That's the kind of attitude, Mr. Speaker, that attacks labour.

Mr. Speaker, we have seen those governments that have adopted that kind of technique are not getting stimulated economic development. They're getting confrontation, even businesses within those provinces are saying this isn't a place to investment because there is an atmosphere of turmoil, there's an atmosphere of distrust. There's no atmosphere of confidence in British Columbia. There is an atmosphere of confidence in Manitoba; Businessmen in Manitoba; investment dealers; manufacturers saying, here's a province in which it's safe to invest, one where a government is prepared to listen, consult and act with us, in the interest of all Manitobans; a government that is a beacon, a beacon in this dark economic world, Mr. Speaker.

**MR. SPEAKER:** Order please. The time being 12:30, Private Members' Hour.

The Honourable Government House Leader.

**HON. A. ANSTETT:** Mr. Speaker, I believe there would be agreement to suggest that we dispense with Private Members' Hour today. I'm not sure if the Honourable Member for Pembina still wants to ask his question, there may be leave for that. But if there isn't, Sir, I would be prepared to move that the House adjourn.

Mr. Speaker, I would then move, seconded by the Member for La Verendrye, that the House do now adjourn.

**MOTION presented and carried** and the House adjourned and will stand adjourned until Monday at 2:00 p.m.