

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 25 March, 1985.

Time — 8:00 p.m.

BUDGET DEBATE

MR. SPEAKER, Hon. J. Walding: Order please. The question before the House is the proposed motion of the Honourable Minister of Finance and the amendment thereto proposed by the Honourable Leader of the Opposition. Are you ready for the question?

The Honourable Minister of Northern Affairs.

HON. H. HARAPIAK: Mr. Speaker, I am pleased to have an opportunity to make a contribution to the Budget Debate. Since this is my first opportunity to speak, I want to wish you continued good health. I am pleased to see that your recovery has been complete.

I also want to congratulate the Deputy Clerk of the House. I know her from my days with the Manitoba Association of School Trustees and I know that she will do an excellent job.

I would also like to welcome the Member for Fort Garry. I listened with great interest in his first speech that he made when addressing the Throne Speech and I'm sure that he will have a long career as his predecessor did and I hope that all his days in the Legislature will be as an opposition member.

I would also like to thank all the members who have wished me well in my appointment as Minister of Northern Affairs. I am sure that they were sincere wishes and I look forward to working with them, in order to serve the citizens of our province in a better manner.

Mr. Speaker, I want to congratulate our Minister of Finance on the 1985 Budget. Manitoba has recorded its second year of post-recession economic growth. I believe that the Finance Minister developed a Budget that will meet the needs of the province and we will continue to experience our economic recovery.

Mr. Speaker, I have had an opportunity to be present at several of the consultation meetings that the Minister held throughout the province. In speaking to the constituents of The Pas, they have expressed their appreciation for the fact that our government has and will take the time to listen to the people's concerns. Our government has further given them the opportunity to participate in their recipe for a recovery from our economy.

It is encouraging to know that most Manitobans have an optimistic view of Manitoba. They have a vision of Manitoba where there will be jobs for their children, where the educational needs of all Manitobans will be met, and a social program which we, the New Democratic Party, hold as sacred will be protected.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please.

HON. H. HARAPIAK: Mr. Speaker, it is clear that Manitobans care deeply for their fellowman and have

told us that in creating and preserving jobs are the No. 1 priority of this government. This Budget, once again, will continue to meet the needs of ordinary people in every part of this province.

Mr. Speaker, I feel privileged in playing a part in the working group of northern involvement in Hydro development, under the capable leadership of our chairperson, the Member for Rupertsland, along with the Members for Thompson, Flin Flon and the Member for Churchill, who is the Minister responsible for the working group.

We, as a group, have travelled to approximately 30 communities throughout the North and giving them an opportunity to maximize the opportunity for people living in the North to take advantage of the Hydro development.

Mr. Speaker, we have held over 60 public meetings where we have heard the Native people's frustration due to their people not having the opportunity to take advantage of the employment and business opportunities during previous Hydro developments. Their way of life has been drastically affected; yet they were never given the opportunity to have any input into the development of northern projects.

Through the meetings of the northern workmen group, the people of the North came up with some good ideas and valid concerns. They expressed the concern that many of their people lack training. In many cases, they have had practical experience but did not have the required qualifications to obtain available jobs. This government has created a training centre where the necessary training will be obtained. We will also make it possible for people to write the equivalency tests so they can take advantage of the experience they have had as workers.

Mr. Speaker, the people of the communities told us that there had to be a more efficient way of making contact with the potential workers in the remote areas. There has got to be a better co-operation between the federal and provincial agencies who are responsible for finding employment for the people who are located in remote areas. This government is meeting those concerns. There will be a contact person in every community to be sure that every person who is interested in working with the Limestone development will have an opportunity to do so.

Mr. Speaker, another major concern that the people of Northern Manitoba expressed was the need for counselling. Because the workplace of a big construction site is much different than the traditional work that Native people have been faced with in the past, they believe that a counselling service is required.

Through past experience, problems have arisen as many workers were separated from their families for the first time and we must recognize that the people from the North come from a different culture than we do, a culture which does not take into consideration a tight schedule that is necessary if we are going to be building the Limestone in time to meet the needs in the States. We have heard of experiences where

workers in the past have missed the bus and have been afraid to come back to the work site because they were afraid they would be fired. The availability of a counsellor would have eliminated that need or that misunderstanding and a person's job could have been saved.

The people of the communities have also expressed the need for recreational facilities because they are away from home, and quite often the recreational facilities have not been in place when they have gone to the work site. We are going to make sure that the counselling service and the recreational facilities are both going to be in place. I think it is important that these concerns are met so we can have a stable work force which will allow us to build the Hydro development in the schedule that has been presented.

Mr. Speaker, there has been a lot of talk about the large number of workers that would be required at the Limestone Generating Station. We also know that the spinoffs, if managed shrewdly, will have more opportunity for jobs due to spinoff than there is on the direct jobs. One project that my constituents in The Pas are particularly excited about is the possibility of building of some of the gates at the Bertram Building in The Pas.

When holding one of our public meetings in The Pas, Mr. Terry Hendrickson from Hendrickson Construction, came forward and told us of his experience of installing the gates at the Hydro site in Revelstoke in the latest B.C. plans. He also told us that he had been to Japan where these gates had been built, and he feels that the Bertram Building in The Pas is more modern than the Japan plants. So he doesn't see why, if the Japanese can build gates for export to Canada, why can't we manufacture our own gates right here in Manitoba? So that possibility is presently being looked at, and I think once we can build the gates for the Hydro development of Limestone, we are also in a position to export gates because of the modern transportation facilities that are available in the North.

Mr. Speaker, the working group held a meeting in Thompson on February 4th, 5th and 6th to deal with some of the concerns that Native organizations and northern regional development corporations had with the Limestone development.

Mr. Speaker, I believe it was an historic meeting at which time the partnership was formed. The partnership represents the MKO, the MMF, the BIN, NACC and the Native Women's Organization. It was great to see these people working, working together and looking to maximize the opportunities for their people. I think that this was an historic moment when we see the people of the North wanting the project to such a degree that they were willing to get together and work together to make sure that their people receives all the advantages that were possible.

Before we get off the area of Hydro development, I want to congratulate the Minister of Energy and Mines. Without the prudent negotiations of the Minister and his excellent staff, none of this would be possible. So all of Manitoba owes them a great big thank you to the Minister for bringing the negotiations to a positive conclusion.

Mr. Speaker, the Jobs Fund has played a great role in the economic recovery of this province. To begin with, when we took government, we were faced with

an unemployment crisis and we had to meet that need quickly. We did so by putting together a project that was on a short-term basis. Since that time we have changed the direction and are putting greater emphasis on a long-term development and permanent job creation.

There are examples of where the Manitoba Jobs Fund, along with the funds from the Canada-Manitoba Enabling Vote have developed an initiative under the ERDA program and have developed programs that will not only lead to employment and has created jobs, but it will also have a long-lasting effect on the community assets that are being left behind after the jobs are completed.

Mr. Speaker, in my constituency of The Pas, there have been several examples of where the Jobs Fund has had a positive effect on the employment and also had a positive effect on the community. In the community of Cormorant, they have had a group of people who are interested in agriculture. We have cleared attractive land which will make it possible for 30 residents to put in large community gardens this year. The community is made up of resourceful people who like to be independent of government support. The projects will allow the people to become a little more self-sufficient in meeting some of their daily needs.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please.

HON. H. HARAPIAK: Mr. Speaker, the Jobs Fund has helped modernize the community hall in that same community, and they've also improved the recreational facilities. I do not believe there are many communities in this province that have not had a Jobs Fund in their community.

The community of Swan River has received the support for rebuilding their curling rink. The curling rink of Swan River had been condemned, and I was approached by Leonard Harapiak and Cliff Gussie who was a member of the Swan River Curling Executive at that time, to see if there was any possibility of getting support to build a new rink. I arranged a meeting with the Minister responsible for the Jobs Fund, and Mr. Gussie attended the meeting and gave a good presentation of what their building project was going to be and after some study, the funding was granted.

I was sad to hear the Member for Swan River make reference to the Jobs Fund and say to the Premier that he was granting funds to people in communities who got down on their hands and knees and begged for funds. I am sure that the people of Swan River do not feel that they had to beg for funds. They had one meeting, and I was pleased to be invited to their official openings along with the Premier where there were many curlers at the official opening who were more than pleased to have taken part in the building of that community. I think the community should be commended for the co-operation they did have, I mean the community did, to build that facility in that short a time.

Mr. Speaker, there is another project that I would like to make reference to and to the former Minister of Agriculture, this seems to be a favourite project of

his, and that is the building of the bridge across the Carrot River.

Mr. Speaker, the Saskeram has a great history in The Pas area. This area which was at one time the primary agricultural base of the farming community in The Pas, has been left to go back to its natural habitat, and there are many people in the area who feel that a larger portion of it should be utilized for agriculture. There was a bridge, Mr. Speaker, across the Carrot River. In 1963, the bridge was washed away by high waters. There have been many promises since that time.

The members opposite were in government for four years, and there was a four-year continuous promise that they would build a bridge as soon as they — (Interjection) — During the last federal election, the present Federal Minister of Health was in the community

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please. The Honourable Member for Arthur on a point of order.

MR. J. DOWNEY: Well, Mr. Speaker, maybe I'm not rising on a point of order. I'll ask the Minister a question. Would he submit to a question?

MR. SPEAKER: The Honourable Minister of Northern Affairs.

HON. H. HARAPIAK: Yes, Mr. Speaker, I'll gladly submit to a question after I complete my remarks.

MR. J. DOWNEY: Oh, okay.

HON. H. HARAPIAK: Mr. Speaker, during the last federal election the Tory Minister, the present Minister of Health in the Federal Government, was in The Pas, and he promised the farmers that if they were elected, if they formed the government, they would definitely build the bridge across the Carrot River. That was a promise.

After the election was over the farmers from The Pas, who had this promise made to them, wrote to the Federal Minister, and they have had a rejection from every department that exists . . .

MR. J. DOWNEY: When did it become the Federal Government's responsibility to build bridges?

HON. H. HARAPIAK: The Member for Arthur asked when did it become a federal responsibility? I guess if it's not a federal responsibility, then during the election they shouldn't come in there making false promises to the people of the area.

Mr. Speaker, in the last little while there has been a Tory task force in The Pas area where there were four members of the people across the hall who were in The Pas. When they were talking to the farmers of The Pas, they told them, "We will build you a bridge." Then they went across the river and then they talked to the members of The Pas Indian Band and then they destroyed the bridge. So at least I have been consistent in my remarks, I have always said that I felt that there should be a bridge built across that river. I have gone

to the Jobs Fund and I have been successful in convincing my colleague that there should be a bridge built across the Carrot River and Phase I of the bridge is presently being built. I have had conversations with other colleagues in Cabinet and we are working at ways that we can complete this bridge.

The Member for Arthur gets up and asks the question, "Are the farmers going to be receiving their funds back?" The farmers of The Pas are a little more astute than the former member of Agriculture. They recognize that we are in tough economic times and they want that bridge and they believe in it, so they're willing to put some money up front to show that they want that bridge there. That's one of the main reasons that this bridge is going in there. The local government district, as well, believes that bridge should be in there, so they also put money into the funds which they matched money from the Jobs Fund which will make it possible for that job to be completed.

Mr. Speaker, the land designated for agriculture in the Saskeram area will be used to its maximum, now that the people see a hope of their bridge being built. There was a barge put into that area last year, but unfortunately the water level dropped to such a low level that the barge could not be utilized, and I don't think that the people should have to depend on the barge. We, of course, believe in the bridge and the bridge will be completed in the next little while.

Mr. Speaker, the Manitoba New Democrats recognize that agriculture is a cornerstone of our provincial economy. The people of rural Manitoba have always appreciated that fact, but I am pleased at the greater understanding that has been expressed by the urban members of our province. They are becoming more aware of the financial crisis in the agricultural industry and they are being aware because of the international and national policies as the farming community faces this financial crisis. High interest rates have had a detrimental effect on the agricultural industry. I wonder what the members opposite, who are supposed to be the farm protectors of the farm community, what they say when they see the Federal Government increase the interest rates for Farm Credit Corporation loans by 0.75 percent at a time when farmers are facing a severe financial crisis.

I believe in a suggestion made by a farm organization that farmers should be given an interest-rate relief. It would cost the Federal Government approximately \$200 million a year. But if the banks can be supported by the Federal Government to write off a bad American investment, surely they can also support the agricultural community which is after all the cornerstone of our provincial and national economy.

Mr. Speaker, I am sure that the Federal Finance Minister now has a clearer understanding of the plight of the farming community. The White Paper which was distributed would show that farmers are a relatively well-off group with higher than average income and assets and lower than average tax ratios has certainly raised the ire of the farming community and their friends. It is really surprising that a government that is supposed to be speaking for the farmers of this country have lost touch with the real world the farming community is living in at this time.

But the members opposite will want to say what have you done for the farming community? And I will read

from the Minister's statement of the other night. "We have initiated or strengthened programs to preserve the rural farms, to stabilize and enhance production and to alleviate the worst effects of the financial crisis.

"The Emergency Interest Rate Relief Program has provided over \$11 million to 1,250 farmers facing difficulty due to high interest rates.

"The Manitoba Beef and Hog Stabilization Programs have provided approximately \$44 million of assistance to over 6,000 producers in order to protect against wide fluctuations in prices.

"The Manitoba Agricultural Credit Corporation has made 1,300 loans to farmers totalling \$77 million for the acquisition of livestock, machinery and land and also for debt consolidation.

"The Guaranteed Operating Loan Program has assisted over 700 farmers with loans totalling \$65 million; the Interest Rate Reduction Program has passed on the benefits of lower nominal interest rates by reducing loan payments to 640 farmers by over \$18 million."

Mr. Speaker, if the Federal Government did on the same ratio for the farmers of the Dominion that we have done as a province, the agricultural community in this province would be well off.

Mr. Speaker, I believe that our Finance Minister has proved once again that we are a government that cares for and speaks for ordinary Manitobans. We have put people first in this Budget that was brought down just last Thursday. I am proud to be a Manitoban, and proud to be a part of the New Democratic Government.

Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Virden.

MR. H. GRAHAM: Thank you very much, Mr. Speaker. I listened with interest to the remarks of the Honourable Member for The Pas. First, I want to congratulate him for his appointment to the Cabinet and; and secondly, I want to congratulate him for the honest effort that he put into trying to defend the indefensible in this House.

I say that, Mr. Speaker, because he was speaking on a motion that was put forward by my leader which indicates basically, Sir, a lack of confidence in the speech that was put forward by the Honourable Minister of Finance, in which he attempted to outline for the people of Manitoba the financial situation of the Province of Manitoba, and indeed put forward his program which would be the panacea to ensure the re-election of the NDP in the coming election.

Mr. Speaker, I don't see the people of Manitoba buying that argument. I don't see it for a number of reasons because I know the Minister of Finance has been around this province for quite some time. I know that he had considerable experience in this building when he was working in the office of the former Premier of this province, a person who I might say, Mr. Speaker, was the first man who introduced socialism into the Province of Manitoba. And I would say, Mr. Speaker, that in my 16 years in this Legislature I have seen, in my political term in this House, every socialist that has been part of government in the Province of Manitoba, and that has caused me a great deal of concern because their record in this province has not been one that has

really lit the candle of confidence in the people of Manitoba.

If I may be given the latitude, Mr. Speaker, to go back and reminisce a bit in the history of this province, I think that when you're dealing with budgets, in the general economic climate that budgets have a tendency to influence - and I say that somewhat advisedly - because I think in my experience budgets haven't influenced the economy nearly as much as Ministers of Finance would hope that they would. I have found that basically the political confidence that people place in the people who have been elected to power probably has a greater influence on the economy than any Throne Speech or any Budget Speech or any particular pieces of legislation that are passed. I think it is the confidence that people have that marks the progress that exists in this society.

Mr. Speaker, I was privileged to serve my country during a period of crisis back in the 1940s, and when I came back and finished my term of military service we saw a country, this country of Canada, which basically had emerged as a nation during a period of emergency. Canada as a nation prior to the 1939-45 Second World War had not had a significant part to play in world economics. But during the war - and I think you have to take a look and say, well, nobody likes to see war, none of us in this Chamber advocate war - but when it is absolutely necessary to defend one's country, the people do rally and respond and the response that Canadians made in that 1939-45 period, I think, extended beyond the wildest dreams of even the most optimistic people and that made a lot of us proud to be Canadians.

We saw a period of growth that made Canada emerge as a nation in the world, the greater sphere of world economics; and we saw Canada as an industrial nation begin to emerge as a country that was capable of manufacturing, was capable of research and technology, and we did come forward and provide to our allies during that Second World War some of the finest goods and finest technology that people could expect. We outlived or outperformed some of our close friends and allies, and Canada did become truly an industrial nation.

We then went through a period after that war, for some 20-25 years of unprecedented expansion. Mr. Speaker, I think it was fair to assume that anyone who had any ambition at all was able to get up in the morning, go to work and do a full day's work, was going to succeed in our Canadian society. We saw it happen in industry. We saw it happen in agriculture. We saw it happen in manufacturing. We saw it happen in the universities, in the academic world. It happened in every facet of our society - unprecedented growth and success.

But, Mr. Speaker, it may have been just coincidence but at the time when we saw a change in political leadership in the Province of Manitoba, we also saw a change in political leadership here in Canada in the general time frame within a year or so, it was about the same. We saw the emergence of the Honourable Pierre Elliott Trudeau who came on the political scene as a national leader when flower power was all prevailing, and he became what was known as a socialist living in Liberal clothing.

At the same time we had socialism rear its ugly head here in Manitoba in the provincial scene, and we saw

a change occur in Canada. We also saw a change occur here in Manitoba, a change, Sir, which in my opinion was not good for our country, nor was it good for the Province of Manitoba. We saw the laws of our country challenged and, Mr. Speaker, if I may be allowed to digress a bit, I will recall a former Attorney-General of this province who was the Honourable Member for St. James, who said, well, look, we've got laws here, but don't worry about them. Let the first one be on the House, we'll catch you the second time around. We saw that happen, Mr. Speaker.

MR. SPEAKER: Order please.

The Honourable Minister of Labour on a point of order.

HON. A. MACKLING: Yes, Mr. Speaker. The honourable member attributes as fact something which he knows not to be fact and therefore calls into question the integrity and honour of this member. I therefore ask the member to withdraw those remarks.

MR. H. GRAHAM: Mr. Speaker, the Honourable Member for St. James may well be offended, and well he should, because those remarks were made in this Chamber and if he is a gentleman at all, he will not deny it.

HON. A. MACKLING: Mr. Speaker, on the point of order, the honourable member knows that I did not make those remarks and if he can refer to any section of Hansard during the time he is referencing, then I will apologize to the House, but I know where I stand and I know that I did not use those words, so I want the honourable member to withdraw.

MR. H. GRAHAM: Rather than create an argument, because I know it's cutting into my time, I will say to the honourable member that maybe he did not use those actual words - and I am only going by memory; I haven't got Hansard in front of me, Mr. Speaker - but I will recall the time when the issue was raised in this House and the Honourable Minister refused to prosecute three people who were caught red-handed rustling cattle, and he said at that time that . . .

HON. A. MACKLING: Mr. Speaker . . .

MR. SPEAKER: Order please.

The Honourable Minister of Labour.

HON. A. MACKLING: The honourable member alludes to a suggested state of fact. That is ridiculous. I have never refused to prosecute anyone who was breaking a law when I was Attorney-General. I want the honourable member to categorically withdraw. I know the honourable member and others were suggesting in this House that, by inference, I was saying that people had one on the House. That was what they were saying; I never said that in this House; and I want the honourable member to have the integrity and the sincerity and honesty to withdraw those kind of remarks.

MR. SPEAKER: Order please. I believe the honourable member knows that he must accept the word of a member who speaks from his own personal knowledge.

The Honourable Member for Virden.

MR. H. GRAHAM: Thank you very much, Mr. Speaker. I accept the explanation of the Honourable Minister but at the same time, Mr. Speaker, we do know that he refused to press charges. So we'll let the record speak for itself. — (Interjection) — We will let the record speak for itself, Mr. Speaker.

MR. SPEAKER: Order please.

The Honourable Minister of Labour.

HON. A. MACKLING: The honourable member is continuing to assert a false state of facts, false to his knowledge, because I have never in office, in government, refused to carry out the law and the honourable member is suggesting that; and I want that withdrawn. That is false. That is attacking the integrity of this member, and I challenge the honourable member now to produce record of that or else withdraw categorically, no half-measure apology. You don't get away with that in this House.

MR. SPEAKER: Order please.

The Honourable Opposition House Leader.

MR. H. ENNS: Mr. Speaker, I only rise to attempt some further clarification. Certainly I was in the Chamber along with other members - I refer specifically to our former colleague, the Member for Gladstone, Jim Ferguson, and others - when this matter arose at that particular time, it is my distinct recollection that indeed the then Attorney-General indicated that the first one was on the House. I must tell you, Mr. Speaker, that it was used far and wide against this Attorney-General throughout the cattle growing area in the Province of Manitoba.

Now, Mr. Speaker, it's my firm conviction that those words are indeed on record and in Hansard - I don't have them before me; I didn't know that the Member for Virden was going to raise that question - but before my colleague is being asked to withdraw any remarks, I would ask you, Sir, to take the question under advisement and indeed to pursue the record.

MR. SPEAKER: Order please.

The Honourable Minister of Labour on the same point.

HON. A. MACKLING: On the point of order, Mr. Speaker, I say this: If the Honourable Opposition House Leader and the Honourable Member for Virden think they are right, let them prove by reference to Hansard tomorrow. I'll give them time to research it because they are saying they are going from memory. I want them to produce on the record tomorrow those statements from Hansard and then I will apologize to the House. If they don't do that, I want a complete abject apology from both members of the House tomorrow.

MR. SPEAKER: Order please, order please. Members will realize that members have different opinions and different views on matters but at the same time when a member speaks from a personal knowledge of knowledge known personally to him, it must be

accepted by the members of the House, and I am sure that the Honourable Member for Virden will know that and bear it in mind.

The Honourable Member for Virden.

MR. H. GRAHAM: Mr. Speaker, I will accept the word of the Honourable Attorney-General, or the former Attorney-General, but at the same time we know what happened to the Honourable Attorney-General in the next election after that because we were then in a period when people were starting to question the confidence that they had in the Government of the Day. Mr. Speaker, all I am talking about is confidence.

The whole issue of confidence in the government of that time was one in which, Mr. Speaker, I would suggest that in the 1973 election there was every reason to believe the Schreyer Government would just steam-roller right through this province and there wouldn't be any more than half a dozen opposition seats left. Mr. Speaker, that did not happen.

That did not happen, Mr. Speaker, because the people of Manitoba at that time were starting to ask questions - did they have confidence in this government? But we were at a period where the tradition of politics in this province was such that a government usually, up to that point in time, had always said well, they're a new government, we'll give them another chance. But they did it with a great deal of reservation and the steam-roller that . . .

A MEMBER: It's happened to every government except one in the history of the province and it'll happen to the next one.

MR. H. GRAHAM: The story of that, Mr. Speaker, was simply the government did not steam-roller through the 1973 election. In fact, there was a stand-off where the House came back with roughly the same representation on each side of the House as before.

But, Mr. Speaker, that was a period in which the government, led by the Honourable Edward Schreyer, had picked up some members over a particular debate that occurred in this House. They did pick up support; they had some support join them and they had some members leave them; and, Mr. Speaker, that is the difference between that government and this government because this government has had no members join them but they have had members leave them. That, Mr. Speaker, is the difference.

Mr. Speaker, there were lots of reasons for the lack of confidence in the socialist government of that time. Mr. Speaker, it was last year when I was speaking in this House that I referred to the social tinkering that is so much a trademark of a socialist government. I think some of the greatest tinkering jobs that was done at that time was done when the government decided they were going to unify the City of Winnipeg. That was the great unifying force. Up until that time, Winnipeg had had a two-tier level of government, but they brought in The City of Winnipeg Act, and if my memory serves me correct I think the original proposal was for 49 councillors, was it?

A MEMBER: Forty-nine, fifty.

MR. H. GRAHAM: Forty-nine councillors. — (Interjection) — It was 50, was it? Well, it was 49 or

50, pretty close to that number. But, Mr. Speaker, when you're dealing with half-a-million people and you've got a nice compact little government of some 50-odd councillors, you know how well things would proceed.

Well, from that day on, Mr. Speaker, the problems of the City of Winnipeg began to multiply. And you found also that this government, or a socialist government, doesn't believe, even though they're willing to appoint 50 people to govern the City of Winnipeg, they don't want to give them the full governing authority. They always want to have their "finger in the pie" and they do it. They would never agree to block funding, oh no; they would fund on issues. They would fund on transportation, this, that and the other thing, but always so that they had their finger on top of that government. Even though they wanted to have a large government for the city, they did not want to give it the authority or the financial wherewithal. They wanted them constantly crawling back on their hands and knees to big-brother government for the wherewithal to carry out the programs. Mr. Speaker, this is where the confidence of the people is slowly being eroded. Because you cannot have the big-brother syndrome in your attitude to the affairs of the people without destroying the confidence of the people in the government that you are trying to impose on it.

Mr. Speaker, this has been the hallmark of socialism not only here in Manitoba, it was the hallmark of the Trudeau Government. It's been the hallmark of socialism in Europe, anywhere. Anywhere that you see socialism in government, you will see that heavy hand of almost total control, because they believe in control. They believe in control. Democracy to them is a nice little catch phrase that you put up on the mantle and you worship it twice a day and hope that people never ask questions. That is the philosophy of socialism. — (Interjection) — Mr. Speaker, that is how socialism works. — (Interjection) — That is why the people of Manitoba are slowly losing confidence in this government. They were losing confidence in the Schreyer Government. Mr. Speaker, it is my humble belief that we may have seen the last socialist government in this country. When this government goes out in the next election, it may have been the last time that socialism will rear its ugly head in Canada. Mr. Speaker, you have to have confidence in order to get the support of the people. I want you to take a look at this government and see what reason you would have to have confidence in it.

We see the Minister of Finance brought in his financial statement. Mr. Speaker, last year for the first time of any government in the history of Canada an Auditor refused to endorse his financial statement. The first time in the history of this country that an Auditor, who was appointed purely for that purpose, has refused to endorse the financial statement of a Minister of Finance. And that happened here in Manitoba with our Provincial Auditor. Mr. Speaker, does that instill confidence in the people of Manitoba? What does that do for the confidence of the people?

Mr. Speaker, we look at our First Minister and in response to questions that were asked of him today — (Interjection) — by the . . .

MR. SPEAKER: Order please.

MR. H. GRAHAM: Mr. Speaker, we look at the questions asked of the First Minister today by the honourable member who sits to my left here, and the First Minister would not answer the question. Does that instill confidence in the people of Manitoba? Mr. Speaker, we see this government who are putting all their eggs in one basket . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please. If there are members who wish to hold a private debate, perhaps they would do so outside the Chamber, so that I can hear the Honourable Member for Virden.

MR. H. GRAHAM: Mr. Speaker, we see this government putting all its eggs in one basket dealing with Limestone development and they have placed their confidence in the Honourable Minister of Energy and Mines. Mr. Speaker, I ask you, does his record in my constituency instill confidence in his actions? Does his actions in dealing with the surface rights legislation where he just arbitrarily cut the board in half, does that instill confidence in the people of Manitoba? Mr. Speaker, I don't think that helps.

We now see where I have asked him two or three questions in the House dealing with a pipeline that was built in this province where the Minister has indicated that the province had a 25 percent interest in a joint venture with Inter-City Gas, we find out now that that share of public money has diminished now to 10 percent, gone from 25 to 10. We haven't seen any financial statements. We don't know how much the province lost. We don't know whether that deal was entered into before tenders were called, and if it was entered into with Inter-City Gas before tenders were called, was the Minister then in a position of conflict of interest when he awarded the contract to Inter-City Gas? We don't know that. We don't know how Omega Hydro Carbons became a 30 percent shareholder in that pipeline. We do know that Omega Hydro Carbons, in partnership with another pipeline company, bid on the job but were not successful. We have not seen any of the figures on the tenders.

The other strange thing, Mr. Speaker, we do know that under The Pipeline's Act of this Legislature, if the Minister so declares, it can be declared a public interest and their rates would then go before the Public Utilities Board where public representation could be heard so that the rates could be established so they would be fair and equitable to all. That has not occurred in this province. It has not occurred, and we do not know what rate this pipeline is charging. We do know that the province has a 10 percent interest in it. We don't know whether the province is making money or losing money.

But I suggest, Mr. Speaker, that the actions of the Minister of Energy and Mines have not been such as would lead to the confidence and the people in his handling of this affair. I would suggest, Sir, that the people of Manitoba have lost confidence in this government. So, Mr. Speaker, the motion that my leader has put forward is one that regrets very much the actions of this government, and one that indicates, I think - and it was indicated by the very credible press

releases he got over the weekend - that there is a lack of confidence in this government, that there is a mood in this province that wants no more to do with this government, and I don't care whether they call the election next week, next month, three months, or six months, or one year and six months from now. I don't think there is anything this government can do. They can spend \$6 million, they can spend \$16 million in advertising, but they have lost the confidence of the people.

You know, Mr. Speaker, this was brought forward to me very clearly on the weekend when I took the liberty of listening to a program that is put on the air once a week on a Saturday evening, a program called "Provincial Affairs." It's not very often, Mr. Speaker, that I give credit to someone in the political field who does not belong to the same political party that I do, but I have to say that the remarks of Mr. Sidney Green, the Leader of the Progressive Party, on "Provincial Affairs" on Saturday night were dead on track. He spent the entire five minutes that was allocated to him talking about the \$6 million that this government is spending on advertising. — (Interjection) — Well, I'm using his figures. He spent the entire five minutes doing it. But, Mr. Speaker, the irony of the whole thing was the minute he was finished and the program was over we had a 60-second commercial on the benefits of the Limestone project. Mr. Speaker, it was made abundantly clear to everybody who was watching that program that advertising by this government is alive and well in the Province of Manitoba.

So, Mr. Speaker, it is not hard for me to stand up in this House and support the motion of my leader because I don't believe this government has the confidence of anyone on this side of the House; this government doesn't have the confidence of the majority of Manitobans, nor does socialism have the confidence of the majority of Canadians. So, Mr. Speaker, I see nothing on the horizon that this government could do that would change that feeling.

I have seen the Minister of Agriculture promise everything under the sun. He has made one statement one day and has reversed it and taken another tack the next. He said he put \$20 million in this Budget to help agriculture. Well, Mr. Speaker, the farmers I talked to say, yes, there may be a program there, but if I have to take a two-week indoctrination course in ND politics before I qualify for the loan, then I have to take another look at it. It's going to be interesting to see what the criteria will be that the Minister puts forward. What is it that a farmer has to do before he will qualify for some of the benefits that the Minister has put forward?

So, Mr. Speaker, I hear the farming community saying, yes, the Minister has put forward a program, but when you look at all of the criteria that's in there, it comes out, sorry, I don't qualify. So he hasn't got the confidence of the farming community.

We've seen the Minister of Education has certainly lost a lot of the confidence of the people of Manitoba. The Minister of Cultural Affairs has done nothing to enhance his confidence with the people.

So, Mr. Speaker, I find no difficulty at all in supporting the motion of my leader in this motion. That shows you the contorted, convoluted, twisted mind of the Minister of Agriculture. Mr. Speaker, it is strange that even the Manitoba Co-operator, which is a paper that

is put forward by the co-operative movement in this, why would they mention the Minister of Agriculture in their scandal column in last week's paper? So, Mr. Speaker, even the Co-operator is showing that they have little confidence in the Minister of Agriculture.

So, Mr. Speaker, I have no trouble standing up tonight and expressing to this House and to the people of Manitoba my reluctance to show any confidence in this government. I suggest, Mr. Speaker, that if the people of Manitoba had the opportunity to vote when the vote is called on this Budget they would support my leader on his motion.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Mr. Speaker, I want to thank you for this opportunity to join in the debate on the Budget of my colleague, the Minister of Finance.

I want to congratulate him for compiling such a responsible yet effective Budget for the people of this province, Sir. It is responsible in the sense that it contains overall expenditures to manageable proportions, control of the deficit is in hand, and it is effective in the sense that it reflects the priorities of the day and strikes a balance between economic development, job creation, and the need to remain a high level of social services for all of the people of this province. This is not an easy task, Sir, in these difficult times.

This Budget reflects the fact that this government has listened and that this government cares. The message sent to us by the people of this province is clearly reflected in this Budget. It's reflected in the Budget overall and it's reflected clearly in the Estimates of my department, the Department of Agriculture in particular.

Mr. Speaker, in the many meetings held over the last months and years with farm and rural people, I have listened carefully to their message and that message, Sir, is reflected in the priorities and the new initiatives contained in the Budget to better respond to the needs of farm people.

I want to talk about the major thrusts and priorities contained in the 1985-86 Budget Estimates for Agriculture but before I do that, Sir, I want to respond in concrete terms to allegations often made by members opposite that we are not co-operating with the Federal Government, that we are merely criticizing and not joining with them in joint efforts to develop our province.

MR. D. BLAKE: We've never really said that.

HON. B. URUSKI: Mr. Speaker, the Honourable Member for Minnedosa, from his seat, says we've never really said that. Mr. Speaker, he should read the remarks of the agricultural critic of their party, Sir.

Mr. Speaker, I think it's very important to point out that where differences have arisen in agriculture - and there are differences, Sir, in philosophy - as they relate to economic and social policy, and because of these differences, disagreements have developed on the approach that government should take in managing the economy. A prime example, Sir, is in respect of our concerns about the federal approach to monetary

and interest rate policy and the emphasis that they've placed on controlling inflation at the expense of employment and job creation.

Sir, we'll continue to take them to task for this, what I have repeatedly said, insane approach to monetary policy in this country. We will also take them to task respecting the tax system in this country which favours the rich through tax loopholes, write-offs and tax holidays that was so eloquently put forward by the Minister of Labour.

Sir, an equitable tax system is a major cornerstone of our philosophical approach to fiscal policy. We will continue to press the Federal Government to rectify the many inequities that exist in our tax system so that the tax burden is shared in proportion to the ability to pay.

Mr. Speaker, again on another issue, we differ in our approach to the grain transportation policy in this country; theirs is a user pay philosophy; ours, Sir, takes the approach of a public utility providing transportation services at cost to prairie farmers. Mr. Speaker, in contrast to these differences in philosophy we have, in this government, numerous examples of positive and constructive co-operation with the Federal Government, and this high level of co-operation is reflected in the vast number of joint programs and initiatives in which we are equal partners working in the best interests of Manitoba people.

Mr. Speaker, I want to cite a few examples as it pertains to the co-operative approach in agriculture. Mr. Speaker, crop insurance - a joint federal-provincial program - we have worked closely, Sir, with the Federal Government to make required improvements in the crop insurance program. As a result, Sir, for the first time in 25 years we have made major changes in improved coverage, additional crops insured and more coverage options this year. We wanted more stability in premium levels as well as individualized coverage but the Federal Government said we are going too fast. Be that as it may, we will continue to press for these further improvements in the crop insurance program and we will continue to work in a co-operative manner.

Sir, together, between the Federal and Provincial Governments, we initiated the feed security program last year on a pilot basis, this year on an expanded basis even though the Honourable Member for Arthur, the agricultural critic, made some great prognostications during his remarks on the Throne Speech that if he was Minister, the whole province would be covered under the Beef Security Program. Mr. Speaker, let it be known that the program will be expanded in its normal course to cover the entire program. We will do it. We brought the program in, in co-operation with the Federal Government; so that anything he is saying that he will pronounce a great Conservative policy, Mr. Speaker, is really window dressing, Sir. It's really window dressing.

We wanted to accelerate the program to cover the entire drought stricken area in the southwest, Mr. Speaker, but again the Federal Government said they couldn't afford it because they had only so much money for premium sharing; that's what they told us, Sir, not the accusation that was levelled by the Member for Arthur that somehow it's a political motivation of this government to deal with the question. That is total nonsense; again the Honourable Member for Arthur doesn't know what he speaks of.

Mr. Speaker, we will continue pressing the Federal Government to have their high-risk southwest included as rapidly as possible in the future. We will be moving along that line. We wanted to put the program in, Sir.

Mr. Speaker, another area of co-operation, and that is the Agri-Food Agreement, but I can't totally give that credit to the new Conservative Government, Sir, because it was with the previous administration. As part of the massive joint development efforts under the ERDA program, the new Agri-Food Agreement stands as a prime example of enhanced co-operative action between our governments in the areas of improved agricultural productivity and soil and water management. Sir, as the Budget indicates, \$38.3 million of federal and provincial funds have been committed over the next five years on agricultural research and extension in the areas of animal and crop productivity, management improvement and resource development.

Sir, for the honourable members opposite, a full \$16.5 million has been earmarked for comprehensive water and soil management on a co-ordinated basis throughout rural Manitoba. Mr. Speaker, this co-operative approach has more than doubled the amount of money available in federal-provincial agreements directly attributable to the agricultural sector - more than double the previous agreement - and to say, Sir, that somehow we are not co-operating with the Federal Government rings very hollow in terms of the accusation.

Mr. Speaker, this joint commitment underlines the priority we place on conserving and developing our most precious and valuable natural resources, our land and water. Together we can make a concerted effort to rehabilitate degraded soils, manage water flows on a co-ordinated basis and maintain the natural productivity of our agricultural resources.

Sir, the members opposite, the Member for Arthur, made a lot of comments about the whole issue of federal-provincial relations and our relations with our neighbours to the south dealing with the hog matter. Members of this House will recognize the serious threat to our livestock industry if the United States countervail duties on hog imports is enforced. Sir, for the honourable member's information, if he didn't know before he could have checked it out, my department has joined with our federal counterparts to challenge the threat. Together with the Manitoba Hog Board, we are actively participating in the hearings and negotiations to prevent countervail duties from being levied on Manitoba and Canadian hog exports to the United States.

But, Mr. Speaker, the Honourable Member for Arthur during his remarks indicated that somehow we are now attacking the United States because of our position on Garrison and that this will somehow do irreparable harm on all of their fronts. Mr. Speaker, the honourable member really does not know what he is speaking of; he really doesn't know where he's coming from. Mr. Speaker, we have taken a friendly but firm position on the Garrison and we should not back off. My colleague, the Minister of Natural Resources and formerly the Minister of Labour, have taken fair but firm positions . . .

A MEMBER: Well, that was the position.

HON. B. URUSKI: Well, Mr. Speaker, that's not what your colleague, the Member for Arthur, is saying. Not only that, Mr. Speaker, I don't know whether he really understands the industries. He makes a statement here and I quote from his speech, March 18th: ". . . at the same time that you and the United States are thinking of imposing some form of penalties on our hogs going south."

Mr. Speaker, what's he talking about? Either he really was just shooting from the hip and he really doesn't know what he really is talking about — (Interjection) — from the lip? Yes, from the lip, not from the hip, Mr. Speaker. I guess he thinks that if he can make a lot of statements, go charging in like a bull in a china shop, and some people will believe him that he can in fact fool enough people and scare enough people and say they're doing something wrong, Mr. Speaker.

I can remember quite vividly the honourable member when he was first appointed in as Minister. I remember some of his comments in the press, that he was going to fight for expanded production for Manitoba producers of regulated products. That was one of his. He demanded that Manitoba producers get more product from the national marketing agencies. Mr. Speaker, what did he do, Sir? He allowed the boards to set their own policy and negotiate their way to such a position that Manitoba producers would have been the net losers in terms of the provincial policy that he allowed them to do.

Mr. Speaker, it was through the Turkey Board, through my own board, he allowed them to deviate from the criteria of comparative advantage. Mr. Speaker, the Honourable Member - I don't know if I heard him correct - for Swan River said self-destruct. Mr. Speaker, if he used those words, I don't agree with the Member for Swan River very often. He's right, it was a policy of self-destruct. He was really allowing the boards to go ahead and really do the producers of Manitoba irreparable harm vis-a-vis national agreements. That's really what he was intent on, Sir.

Mr. Speaker, he was going to fight for Manitoba producers when he became Minister of Agriculture. Mr. Speaker, the Member for Arthur really didn't understand, still doesn't understand; he couldn't fight his way out of a paper bag, Sir, when it comes to understanding the industry, Sir.

SOME HONOURABLE MEMBERS: Oh, oh!

HON. B. URUSKI: Mr. Speaker, members opposite know the priority that this government has placed on the great need for effective stabilization programs for farmers. Even the Member for Arthur made some statements, Sir, to indicate that we should be attacking the agricultural problems on the income side. Mr. Speaker, we should be attacking it on the price side. Mr. Speaker, the need today and tomorrow for effective stabilization programs is even greater.

Sir, that's why we introduced ongoing programs for hogs and beef. Mr. Speaker, we have supported the red meat industry in this province in a long-term way in order to make sure that our packing industry survives, Sir. In fact, we were criticized by members opposite that somehow we were letting the packing industry down. Mr. Speaker, the Member for Arthur criticized

us that somehow we were letting the community of Brandon down. Well, Mr. Speaker, I can assure him and the people of western Manitoba that Brandon plant is working; it's working in expanded capacity. Mr. Speaker, I expect that plant will be there for a number of years to come.

Mr. Speaker, how can I commit the likes of the Burns Company who have now sold out to Union Gas, Sir, on their plant? But, Mr. Speaker, that plant was closed, that plant was closed for all intents and purposes. Your members opposite said that our programs were not working; our programs caused the demise of that plant in Brandon. All our policies were negative to agriculture. Mr. Speaker, what's happening to Brandon now? That plant is going. It's refurbished and at full production, in fact, increased production in that plant, Sir.

Mr. Speaker, we, in dealing with income stabilization on the grain sector, also sent our comments and our proposals to members opposite. Did we hear from the members opposite as to their position on grain stabilization? No, Sir, we haven't heard from them. We haven't heard whether they support our proposals for an effective grain stabilization program, Sir. An effective and sensitive grain stabilization program is vital to the continued viability of prairie grain farmers. Sir, a lack of adequate protection in the past has been a major contributing factor to the current financial crisis in agriculture, and the highest incidence in the difficulties are being among the grain and oilseed producers.

Mr. Speaker, if we have criticized the Federal Government on these grounds, it has been done in a positive vein. Mr. Speaker, we have done their homework for them, how to make Western Grain Stabilization more effective as an income assurance program for prairie grain farmers. Our criticism, Sir, has come in the form of, get on with the job, move on, get on with making the necessary program changes. We have done your calculations for you; we have done your homework; get on with the job, and we're not asking you to put more new money into the program.

But, Mr. Speaker, they've had it for five months, and in fact they have refused to set up a federal-provincial committee to work on that program. We don't know why. What are they holding back for, Mr. Speaker? Why are they holding back? We haven't even heard from the members opposite, but we have heard from the producers around the country and producer grain organizations; they support in general what we have been saying.

Mr. Speaker, all that the Member for Arthur can say, you're playing politics. Well, Mr. Speaker, if it is to benefit the grain producers of Western Canada and our proposals of improving the Western Grain Stabilization Plan are playing politics, Sir, then - damn it! - I will play politics, because the producers of this country need sure income. If that's what it is, that's what I will do.

Mr. Speaker, I am pleased to say that there is a high level of co-operation that exists between our two governments when it comes to providing emergency assistance to Manitoba farmers. Mr. Speaker, my government, our government, joined with the federal and other prairie governments to launch a massive Herd Retention Program in the drought-stricken areas of the prairies.

MR. J. DOWNEY: That's a dandy.

HON. B. URUSKI: Yes, Mr. Speaker, I'll deal with that "dandy." Mr. Speaker, almost \$4 million was provided under this agreement to approximately 2,000 of Manitoba farmers to help them obtain adequate feed supplies to winter their beef herds. Without this joint emergency assistance, we would have experienced a major liquidation of our beef herds in the southwest and a major setback in our efforts to maintain and further develop cattle finishing and processing in this province.

Mr. Speaker, the honourable member criticized our program, the Member for Arthur, saying it was ineffective. Mr. Speaker, I want to tell you how valid his criticisms are, Sir. The Honourable Member for Arthur criticized the program because it wasn't providing assistance for one of the farmers in his area. Mr. Speaker, I want to tell you that the honourable member made representations to me to say that program should support rented cattle owned by an owner outside the Province of Manitoba, Sir.

A MEMBER: Where was the owner from?

HON. B. URUSKI: The owner was from Quebec, Sir. The cattle were leased, Sir, and he's making representations saying that our program is ineffective and we should pay money for cattle that are owned by someone living outside the province. Mr. Speaker, this program was not designed to deal with cattle which are owned outside the Province of Manitoba. That's the kind of representation the Honourable Member for Arthur makes on the drought program, Mr. Speaker. He's prepared to put money into cattle that are owned outside the province, Sir. We're not.

Mr. Speaker, after many months of negotiations, we were successful in persuading the Federal Government to join with us in assisting farmers in the areas most severely hit by several years of excess moisture and flooding. Mr. Speaker, this agreement is finally in place, and up to \$1.5 million will be allocated to assist farmers in the most acute circumstances.

Mr. Speaker, I've given a few examples to testify to the fact that we have done, what I would say, a commendable job of co-operating with the Federal Government in every area of joint jurisdiction between our governments in the agricultural area. Mr. Speaker, I stand ready to compare our record of co-operation with that of any province in this country. Mr. Speaker, if I have criticized the Federal Government on issues other than philosophical questions, it has been on the basis of positive suggestions and urgings to improve federal programs so that they can work more effectively in the interests of Manitoba farmers.

Mr. Speaker, a recent case in point is the need for an improved federal stabilization program for sugar beets so that our producers can be afforded greater protection against wide swings in world sugar prices.

Mr. Speaker, I have urged the Federal Government to establish a national sugar policy that will secure our domestic needs for this vital commodity by increasing the share that is obtained by domestic production. — (Interjection) — The Honourable Member for Rhineland, if he was at the Annual Meeting of the Sugar Beet Producers . . . Mr. Speaker, that's not what the honourable members are talking about. His colleague

is now saying that we should change federal-provincial relations. We should now take the Federal Government off the hook. The Member for Arthur said in his remarks that if the sugar beet industry is so important to Manitoba, Manitoba should be prepared to take the Federal Government off the hook and put money into the program to support the producers, Mr. Speaker. That's the kind of policy he wants for Manitoba in his remarks.

If this Minister and his government don't start showing a little care and concern, get involved and show them that there's support there, Mr. Speaker, those 400 jobs are here in Manitoba, they're here in Winnipeg and the farmers need protection of a government. They need to show that their needed, Mr. Speaker. What is he talking about, Sir?

I raised this question last November yet with the Federal Minister and the new government in Regina, Sir, raised that question that we saw a problem arising in the sugar beet industry. Now the Member for Arthur says, look, let's have a new range of federal-provincial relations. You now should take the Federal Government off the hook. Mr. Speaker, for years they have supported the sugar beet industry through The Agricultural Stabilization Act, and they should be prepared to support the industry again in tough times as well.

We will continue to press our case for federal action on sugar beets and on other programs that clearly need federal action. If that is a criticism in the eyes of members opposite, Sir, then I'm proud to say that I'm doing my job on behalf of Manitoba farmers.

Mr. Speaker, we will also continue to criticize the Federal Government if they don't alter their irresponsible and harsh approach to cost recovery on federal programs that are provided to Canadian farmers. The drastic impact on farm costs from soaring federal user fees contradicts their election promises which could reduce farm costs if introduced.

Mr. Speaker, for a government that claims to be concerned about farm cost increases, the cost-recovery policy is in totally direct conflict with that commitment. The bee industry, the hog industry, the dairy industry, the seed-grain industry, the small seeds industry, everyone is affected.

Mr. Speaker, I want to say clearly, that's not to say that some fee increases on a gradual basis, are not justified. We've never said that. We've never pretended to say that there should be no fee increases. Well, Mr. Speaker, when you talk about a 1500 percent fee increase, an 1,100 percent fee increase on the seed industry, that is unjustified. We oppose it, Mr. Speaker, but to proceed at an anticipated rate on an ad hoc basis without examining all the implications of their strategy is irresponsible, clearly irresponsible and should be retracted immediately before serious damage is done to our farm sector, Sir.

Mr. Speaker, I want to turn my remarks to an area which I think deserves some discussion, and that is the area of farm financing, an area in which I have focused my strongest pressure and urging for the Federal Government to commit itself to greater action to resolve the financial problems facing many Canadian and Manitoba farmers.

Mr. Speaker, I have criticized them generally for their insane high interest rate policy that has devastated farm and non-farm sectors in this country. The reduction

of interest rates to the single digit level is fundamental to long-term farm and non-farm economic recovery. Mr. Speaker, we all know this, yet we're stalemated and remain - what do we remain? - we remain locked into the U.S. monetary system. Mr. Speaker, it's time that we had a made-in-Canada monetary system, but really it's nowhere to be seen.

Sir, despite the lack of this fundamental policy change, this province has done and will continue to do what it can within its resources to cushion farmers from these federally inflicted harsh economic policies. We recognize that the family farm cannot survive over the long term until such a negative market and interest-rate climate is changed. They're on a slippery slope, Sir, particularly the younger and beginning farmers who represent the future of our farm industry and the life blood of rural Manitoba. But who cares? Not the private lenders, not the Federal Government.

Sir, I tried to mount a massive co-operative effort to turn the situation around. What was their response? They said, really there's no problem out there. Mr. Speaker, really there's no problem out there, and the action that I propose is premature. Well, Mr. Speaker, we do care. We care, Sir. We have done more than any other provincial government to help farmers recover from the shocks of the last five or six years. — (Interjection) — You don't like my speech, do you, Mr. Speaker? We're prepared to do even more.

Sir, we recently announced the write-down of existing MACC loans to 8 percent. Mr. Speaker, that will provide - I use the words from the honourable member - some help to only 4,000 farmers. Mr. Speaker, 4,000 farmers will have extra cash needed for spring seeding. In this Budget we're proud to announce another major initiative to help put younger farmers and those in financial distress, on their feet. Mr. Speaker, it's a comprehensive MACC departmental effort of debt restructuring and management counselling that will enhance the major reorientation that has occurred in my department over the past three years, focused on farm financial counselling, management upgrading and mediation. This program will provide our staff with another important financial resource to be even more effective in their efforts to help in farm financial recovery.

This additional commitment of \$20 million to Manitoba farmers reflects our commitment, an extraordinary commitment, and priority of the importance of a healthy and vibrant farm community, a major cornerstone to the Manitoba economy. But we will continue pressing the Federal Government and the private lenders to share equally in that commitment, Sir.

Mr. Speaker, I understand they just bailed out the Commercial Bank. They bailed out deHavilland. They bailed out Canadair with billions of dollars of capital infusion. They helped. They provided loan guarantees and set asides for other companies, loan guarantees to Chrysler, to Massey-Ferguson, hundreds of millions of dollars. Mr. Speaker, why are they not prepared to do it for the farm economy? Why are they not prepared? Why are they prepared to join in bailing out the Commercial Bank of this country, Mr. Speaker? — (Interjection) — That's not the Liberals.

The Commercial Bank is just being bailed out right now, Mr. Speaker, between the Conservative Government in Ottawa and the private bank - your

bank, Mr. Speaker. The Member for Minnedosa, his bank is probably in there bailing them out. Why will they not be prepared to put the money into agriculture, Sir, and assist the farmers? On whose side are the members opposite? Are they on the side of the banks, Mr. Speaker? Are they supporting the banks or are they going to support the farmers, Sir? If they are going to support the bank they will vote against this Budget. But if they support the farmers, they should be voting in favour of this Budget. That's what we say. Mr. Speaker, a vote against this Budget is a vote for the banks. That's where their votes will stand. That's where the Conservative opposition stands. It stands with the financial institutions, not with the farmers.

We want to see what kind of action . . . Mr. Speaker, they called for loans at 9.25 percent for the farmers in this province. But remember, they called the program that was brought in last Session by the Minister of Finance a hoax, it was a cheat, and they didn't support it. Now, Mr. Speaker, they're going around the province and saying, please, put in money at 9.25 percent for the farmers of Manitoba. — (Interjection) — And we did it. We said we would do it and we did it. Mr. Speaker, talk about speaking out of both sides of their mouths, they're the guys that didn't support that measure. They said it was a hoax, that we were cheating the Federal Government.

Mr. Speaker, the people of this province showed that it could be done and there are benefits to housing. There are benefits to agriculture as well from the money that's being used. But, Mr. Speaker, members opposite should now repudiate the position that they took on high interest rate policy that they supported the Federal Government. It's kind of nice to hear some of these comments saying, "You know, the interest rates are too high." Where were they when interests were at 17 percent, 18 percent, 22 percent, Mr. Speaker? They said it is the best kind of monitoring policy that Canada has today. That's what they said in this House when they were government of this province.

Mr. Speaker, we've all been part of the problem and we want the Federal Government involved. We want a commitment for Canadian farmers, not only Manitoba farmers. Let's all get together. We've all been part of the problem; let's all be part of the solution. Let's not sit back, let's deal with the crisis that is out there. But to have members opposite come here and say, oh, we are playing politics, Mr. Speaker. Going out to talk to farmers and listen to their problems and try to deal with them and set up programs to assist them, it is now playing politics. Mr. Speaker, those are very hollow words and the farm community knows very well.

Mr. Speaker, I wanted to deal with a couple of points. How much time do I have, Mr. Speaker?

MR. SPEAKER: The honourable member has eight minutes remaining.

HON. B. URUSKI: Okay, Mr. Speaker. I wanted to deal with the question — (Interjection) — Well, Mr. Speaker, I wanted to talk about that question because the Honourable Member for Sturgeon Creek was at a nominating convention in my constituency and I really appreciate the support that the honourable members and their candidates in my riding are going to give me

as a result of that convention, Sir. It is the best present that the honourable member can send a sitting member by electing the gentleman from Ashern who ran against me, by the way, in 1969 . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please.

HON. B. URUSKI: . . . and we did have, Mr. Speaker — (Interjection) — The gentleman, he was a good gentleman. I like Joe quite well, but, Mr. Speaker, he ran in '69 after they unseated the incumbent, Mr. Masniuk. They knocked him off at the nominating convention and Joe Schwartz won the nominating convention. We had deposits. We had to make deposits then in '69, but unfortunately, Sir, he lost his deposit when he ran in that election. He came a poor and distant third. Frankly, Mr. Speaker, he's aged somewhat in terms of 16 years; I guess we've all aged in terms of my time in politics. But, Sir, the Tory Party has attempted to show that they are very united. I can tell you, Mr. Speaker, that nominating convention has certainly added to the support of the New Democratic Party in the Interlake. Mr. Speaker, that Tory Party went away from there very disunited, Sir. There are very many people very discouraged at what went on. A lot of people went to that nominating convention indicating, well, we'll go and support the local candidate because he wined us and dined us and got us to buy a membership, so now I guess we should go to the nominating convention. — (Interjection) — Oh, yes, that happened, Mr. Speaker. Even with the high school kids in Fisher Branch, Mr. Speaker, that happened in Fisher Branch. — (Interjection) — Oh, yes, very very clearly. But that may have turned a few people off.

SOME HONOURABLE MEMBERS: Oh, oh!

HON. B. URUSKI: You ought to hear the comments now. You ought to hear the comments coming out of the riding now as to whom we've elected, but the New Democratic Party certainly will be pleased to challenge the member in that riding.

MR. SPEAKER: Order please.

The Honourable Member for Lakeside on a point of order.

MR. H. ENNS: Well, Mr. Speaker, I want you to advise some of the newer members of the Legislature, like the Member for Wolseley, that it's not out of order to occasionally rise and to ask whether or not the member would permit a question. I'm simply asking whether member would permit a question at this point.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Thank you. If honourable members will grant me leave at the end of my remarks, I will be very pleased to, because I can't treat the Honourable Member for Lakeside any differently than I treated the Member for Morris - at the end of my remarks, if I have leave. I didn't allow a question, but I'll be pleased to answer any questions that he wants to pose.

Sir, I wanted to deal with the question of dairy policy in the Province of Manitoba and to indicate that we understand the difficulty that the dairy producers have, Mr. Speaker, and we are working with the producers and the Dairy Board to try and deal with those questions. Mr. Speaker, the Honourable Member for Arthur, in fact, was saying, ". . . to say that you're going to be controlled by me and my government as to what you can sell and what you can't sell." Mr. Speaker, I want to remind the honourable member about a policy decision that was made dealing with dairy policy and I want to quote from Hansard: "The Minister advised the secretary that the policy had not been changed with respect to preventing the capitalization of quotas in Manitoba. However, the Minister felt that modifications could be made to the existing quota regulation policy that would eliminate the cost of appraisals and still prevent quota capitalization from occurring. The Minister indicated that evidence was obtained that a person had purchased quota and the quota so obtained would be cancelled."

Mr. Speaker, doesn't that appear that there's a Minister who is controlling the industry, that is saying to the industry that the industry is in fact being controlled by the government? Mr. Speaker, I want the members of this House to know that this statement was not made by myself, it was made by the Minister of Agriculture, made in 1978, when the Member for Arthur who now gets up in this House and attempts to criticize a policy that basically was set into motion in 1978.

Mr. Speaker, I find those kinds of accusations not only totally contradictory but without of basis of fact - a member who really doesn't understand or doesn't remember what he signed six years ago when he was Minister. Mr. Speaker, we recognize that there is a problem in the dairy industry. That the Milk Board would like to have some kind of quota exchange that is available in other provinces. Mr. Speaker, we have concerns with that kind of system, and in fact there is a bit of a problem. The Milk Board did make an order in the Legislature through an Order-in-Council with respect to a marketing plan which said that there should be no value for quota. Then they came back subsequently and said, "Well, we want to now have a quota exchange." That is the difficulty that we have in the dairy industry and we will attempt to sort it out.

Mr. Speaker, for the member opposite to say that somehow we're interfering in the dairy policy in this province, he knows very well that the policy that is there today is virtually the same as when he was in government. The policy that he instituted got out of hand, didn't work, and now he is trying to politically basically jump on the bandwagon and say, well, I can't lose, if I criticize them that they're selling quota, I will be on the side of the angels with respect to the consumers, and if I criticize them that they're not dealing with the producers, I'm on the good side of the producer, so we can have it both ways. I know the game that the Member for Arthur plays in this House, although he as well took a very strong position vis-a-vis dairy policy when he was Minister. But I really appreciate the nonsense that he is trying to put forward vis-a-vis quota policy and we'll be dealing with that question with producers in the weeks and months ahead trying to resolve that issue.

The other issue that was raised Mr. Speaker, by members opposite is the issue dealing with unregulated product, Sir, dealing with the eggs. Oh, yes, Mr. Speaker, the honourable member knows that Manitoba did have a policy under the Chicken Board that allowed unregistered producers to produce up to 499 chickens a year, and that was whether you were a single operator or whether you were a multifamily operator, you had the same exemptions.

Mr. Speaker, the amount of unregistered producers over the last number of years has risen dramatically. Why has it risen dramatically, Sir? Because the cost of production and the prices that producers receive from the National Egg Marketing Agency and the provincial board is such to make it very worthwhile and I can't blame producers for wanting to get into the industry. But let's remember, Mr. Speaker, how we got into this situation.

Back in the late '60s practically everyone was leaving the production of eggs. Everyone was going broke. Everyone in the industry was going broke, and people were quitting the production of eggs. So then what did we do? We had to get the industry together, Sir. We had to bring about a national agreement and price stability. We brought that.

Mr. Speaker, now the Conservatives want to criticize this whole policy to say, we're now undermining. Now we can get at the government. We will now allow the undermining of the national agreement for the sake of getting some political brownie points . . .

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

HON. B. URUSKI: . . . on the other side. That's really the attack that they take.

SOME HONOURABLE MEMBERS: Oh, oh!

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

Order please.

The Honourable Member for La Verendrye.

MR. R. BANMAN: Thank you, Mr. Speaker. I welcome the occasion to speak to the Budget this evening. Because of the short period of time I have left to me today, I would want to spend some time in dealing with one of the issues which has in the last couple of days really surfaced in my constituency. It has to do, with some problems within the farming community and with this Minister of Agriculture.

Mr. Speaker, this Minister of Agriculture has effectively stopped the transfer of quotas in the dairy industry. Mr. Speaker, he has done that by including a little piece of paper in the milk cheques, saying that they will not allow the transfer of quotas with a few exceptions. Mr. Speaker, he has caught the dairy producers of this province, the average dairy producer totally unaware. There was no consultation. There was no White Paper. There was no known attempt in this province to deal with this issue up front with the dairy producers of this province.

Mr. Speaker, all he would have had to do in the last little while is . . .

MR. SPEAKER: Order please.

The Honourable Minister of Agriculture on a point of order.

HON. B. URUSKI: Yes, Mr. Speaker, I rise on a point of order. The Honourable Member for La Verendrye is misrepresenting the facts with respect to dairy policy in this province. The honourable member should read and go to the Executive Council and pull the marketing order that the dairy producers of this province filed last August, and he will know what principles are quoted in that dairy policy, Sir.

MR. SPEAKER: Order please, order please. Order please. A difference of opinion between members as to the facts does not constitute a point of order.

The Honourable Member for La Verendrye.

MR. R. BANMAN: Mr. Speaker, I am dealing with this issue at this time because this past weekend and all day long today the Member for Emerson and myself have had calls from dairy farmers who realized that this Minister of Agriculture is not doing his job and protecting their interests in this province. I'll tell the First Minister who's here, and I am happy he's here, he is going to be deluged as well as the Minister of Agriculture with phone calls, letters and telegrams from the dairy producers of this province because they see a major portion of their life savings, their interest going down the drain.

Mr. Speaker, it has been an established tradition in the last number of years with credit unions and the banking institutions, including MACC and FCC - here we are, let's deal with the facts - that they have loaned up to \$3,000 for a cow along with the quota that goes along with it. Mr. Speaker, what has happened after this announcement, I just talked to a farmer today, the credit union is only going to give him \$750 for that cow, only what the slaughter weight is worth because this Minister and this government will not allow them to transfer the quota.

Mr. Speaker, we went through this very debate in 1975 when the then Minister of Agriculture, the Member for Lac du Bonnet, went through this same exercise, except that he had some allies in it making the change, because there were something like 900 fluid producers who did have a quota; but there were 1,100 producers out there who were industrial shippers who wanted to get the quota. So what happened is, the Minister of Agriculture at that time, the Member for Lac du Bonnet, said, well, I've got more producers that want in than are in there. I'm going to take the political gamble and do it. Mr. Speaker, he got away with it to a certain extent.

But I'll suggest to the members opposite that when you have now taken on some 1,000 dairy producers in this province without proper consultation, without properly informing them of what the policy was, you have cut many of the farmers' personal worth by two-thirds. Mr. Speaker, if I had time today I would put on the record call after call that I have received about people who have called me today and told me what their cases were and what was happening.

Mr. Speaker, I'm telling you, the farming community is waking up to this Minister. And I'll tell the First

Minister, to bail the Minister of Agriculture out on this one is probably going to cost them another \$6 million.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please, order please. Order please. If there are members who do not wish to listen to the honourable member, perhaps they would like to continue their discussion outside. In the meantime, the Honourable Member for La Verendrye.

MR. R. BANMAN: Mr. Speaker, this change, this little notice that was put into the milk cheques that came out this last month indicate to me that this government and this Minister of Agriculture, as much as they espouse the verbiage that they listen to people and they consult, the fact of the matter is they don't, because if they did, these dairy producers would know exactly what this Minister is doing. But he has in fact, Mr. Speaker, made a move to really weaken the dairy sector in our province.

Mr. Speaker, the Minister of Agriculture on this one issue alone has incurred the wrath of the average dairy producer in this province, and is going to have to come up and do a lot of backpedalling. I predict to you, Mr. Speaker, that once the Premier finds out exactly what the impact of this policy will be, there will be a lot of backpedalling over there. There will be a lot of backpedalling. The Agriculture Minister, Mr. Speaker, sits there and laughs, but this is a very serious situation as far as the dairy producers in this province are concerned.

You wait a few days because this thing is building up a head of steam which is going to make this government take note of what the dairy producers are facing in this province. This Minister allowed it to happen without any consultation with the producers and I think that is the indictment that this Minister as well as this government is going to have to face with the people of Manitoba. They have made moves in the last while which the average person affected has not received proper notification or has received any consultation with.

I say to the members opposite, when it comes to farm financing, when it comes to MACC, when it comes to dealing with interest rate problems, the Minister of Agriculture gets up and gives us a simplistic view of how you could deal with the agricultural situation. But I suggest to you the minute he came up and talked debt moratorium, I bet you the credit unions called him up and had a meeting with him because it wasn't the big banks that were really concerned. See, Mr. Speaker, the big banks only deal on a very large international basis and if Manitoba got tough enough they wouldn't have to deal here, but the credit unions are stuck here. Mr. Speaker, the credit unions in the province were more concerned about the debt moratorium announcement and the announcement that the Minister wanted everybody to loan - well, what did he say 8 percent or 2 percent above the inflation rate - the credit unions realized what that would do to them. It would virtually put them into a situation where the \$25 million that the government has given them to help them try and rehabilitate the system would have killed them.

So while the Minister of Agriculture gets up and talks about grandiose ideas about lowering interest rates, the fact of the matter is that by allowing the non-transfer of quotas, he has really put a lot of the dairy producers into a very very tough position because suddenly the equity in their farm has dropped dramatically and very often below the price that they borrowed money for and that's what happened.

HON. B. URUSKI: There you are.

MR. R. BANMAN: The Minister of Agriculture says, "There you are." He knew it was happening, Mr. Speaker, for the last 10 years. He cannot tell this House that he wasn't aware of what was happening and he is telling us that he just arbitrarily said that's it, no more, and the farmers out there, the dairy producer, the young man that paid \$3,000 for a quota on the cow, that's tough. That's tough, baby! You go ahead now and be put in the situation of the money that you borrowed, really the asset isn't there any more and you are still supposed to pay for it. That's really what he has done.

So we have now a situation where not only has he put restrictions on people who want to sell their quota - in other words, a farmer who wants to retire and doesn't necessarily want to sell his farmstead - really cannot sell any of his business now. He can't. He can't pay off his debt. A farmer who borrowed — (Interjection) — Mr. Speaker, he is not allowing transfers of quotas from one farm to another. How about the young farmer who has started and bought 50 cows and now is looking around for an extra 20 or an extra 15 and he finds out that somebody is selling his herd because he wants to retire? He goes over and he says, you know, out of those 75 cows that you are milking, I want to buy 25 because I want to bring up my herd a little. The Minister

said, you can't do it. You can't do it. And that is the type of calls we are getting.

Instead of explaining his policy, he has brought down the boom, used his heavy hand, and the agricultural community - and especially the farmers out there - who, as the Minister hopefully knows, the dairy farmers have a large capital investment in their plant and their facilities, and now are faced with a problem which I just don't understand that this Minister inflicted on them. This Minister has to either be a very . . .

MR. D. ORCHARD: Stupid.

MR. R. BANMAN: Mr. Speaker, I won't use the word that my colleague from Pembina did, but has to be very . . .

A MEMBER: Naive.

MR. R. BANMAN: . . . naive, or to use a word "unknowledgeable" about the farming community and particularly about the dairy producers. He is an uncaring Minister, Mr. Speaker.

So I say to this Minister, he'd better deal with this issue and he'd better deal with it quickly because once the Premier starts getting heat, he's going to be in the position of having to move away. So he had better move now and restore the situation the way it was and avoid all these problems and confrontation in the milk producing industry.

MR. SPEAKER: Order please, order please. When this matter is next before the House, the honourable member will have 28 minutes remaining.

The time of adjournment having arrived, this House is adjourned and will stand adjourned until 2:00 p.m. tomorrow (Tuesday).