

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, 28 March, 1985.

Time — 2:00 p.m.

OPENING PRAYER by Mr. Speaker.

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

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister of Culture.

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

It's a pleasure to present the Annual Report of the Legislative Library.

MR. SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Thank you, Mr. Speaker.

I have the honour to table a return in a form of an Address to the Lieutenant-Governor of Manitoba under The Trade Practices Inquiry Act, reporting that there be no inquiries made under that act during the period January 1, 1984 to December 31, 1984; and, Sir, a similar report under The Insurance Act, reporting that there were no Orders-in-Council made pursuant to Sections 113(1) and 114 of The Insurance Act during the calendar year, January 1, 1984 to December 31, 1984.

MR. SPEAKER: The Honourable Minister of Labour.

HON. A. MACKLING: Mr. Speaker, I wish to table the Annual Report of Manitoba Labour. There are other copies, eight photocopies that are available to members. When the printed copy is here, it will be distributed.

MR. SPEAKER: Notices of Motion . . .

INTRODUCTION OF BILLS

HON. J. BUCKLASCHUK introduced, by leave, Bill No. 24, The Family Farm Protection Act; Loi sur la protection des exploitations agricoles familiales.

HON. L. EVANS introduced, by leave, on behalf of the Minister of Natural Resources, Bill No. 25, An Act to amend The Ecological Reserves Act.

APOLOGY

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

MR. H. GRAHAM: Mr. Speaker, last Monday evening during debate I was pointing out to the House one of the reasons why the Member for St. James lost re-election in 1973.

In my opinion, it was his leniency toward first-time juvenile offenders charged with cattle rustling, which

resulted in many members making reference to his policy of "the first one is on the house" just as his recent presence at a protest rally in front of the U.S. Embassy where the United States flag was burned will lead to his defeat in the next election.

Mr. Speaker, I was in error in attributing to the Member for St. James, the words, "the first one is on the house." In reality, the fact is that many others attributed that phrase to him. The Member for St. James has asked for an apology and I wish to, at this time, apologize to the Honourable Member for St. James.

MR. SPEAKER: The Honourable Minister of Labour.

HON. A. MACKLING: Mr. Speaker, the honourable member also, in his remarks, indicated that the former Attorney-General had not laid charges despite the fact that there was a case of a poacher that was caught dead to rights - or words to that effect - and the honourable member said that he would withdraw that categorically if he couldn't establish it in Hansard and I want that withdrawal as well.

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

INTRODUCTION OF GUESTS

MR. SPEAKER: Prior to Oral Questions, may I direct the attention of honourable members to the gallery, where we have 12 visitors from the Adult Upgrading Group from Selkirk. They are under the direction of Miss Moss and are from the constituency of the Honourable First Minister.

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

ORAL QUESTIONS

Schwartz, Betty - Settlement re wrongful dismissal

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

MR. G. MERCIER: Mr. Speaker, I have a question for the Minister of Community Services.

Could the Minister inform the House that the government has settled or is the process of finalizing the settlement of the claim of Betty Schwartz against the government for wrongful dismissal, and that the amount of the settlement is over \$100,000, plus pension payments, plus legal costs?

MR. SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Mr. Speaker, I understand that the CAS Board, the responsible group for coming to a settlement with Ms. Schwartz, has settled and I'm very

happy to hear that. I understand that the settlement has been at a \$100,000 level, \$80,000 of which is paid by CAS Winnipeg and \$20,000 by the insurance company.

MR. G. MERCIER: Mr. Speaker, a supplementary question to the Minister. In considering this matter, did the Minister give any consideration to rejecting a settlement and allowing this matter to go to court in order that the full matter could be heard and the public could judge the facts of the case?

MR. SPEAKER: I'm not sure that the question deals with a matter which is in the administrative competence of the Minister.

The Honourable Member for St. Norbert.

MR. G. MERCIER: Mr. Speaker, I would ask the Minister whether it is a term of the settlement that Betty Schwartz will not be allowed to discuss this matter with the public or otherwise would be penalized financially as this government did with respect to cases of employees fired by the Workers Compensation Board? Will Ms. Schwartz be allowed to discuss this matter with the public or is the term of the settlement that she be gagged?

MR. SPEAKER: Order please.

If the matter is not in order because it's not within the administrative competence of the government, that question would also be out of order.

MR. G. MERCIER: Mr. Speaker, a point of order. The Minister is responsible for the board. She said the matter has been settled and I'm asking her whether it is a term of that settlement that Ms. Schwartz not be allowed to discuss this matter with members of the public, or in public, whether in effect she is gagged. I'm simply asking whether that's a term of the settlement, as it was in cases involving employees of the Workers Compensation Board.

MR. SPEAKER: The Honourable Government House Leader.

HON. A. ANSTETT: Yes, thank you, Mr. Speaker.

Mr. Speaker, I appreciate the desire of members opposite for information respecting what I understand is a settlement respecting this issue. However, the authority delegated to the Winnipeg CAS is legally delegated. Funding is provided by the government, but the details with regard to the operation or the details of this settlement are appropriately directed to the board, just as, Sir, the details of the administration of one of the universities of the Province of Manitoba are appropriately directed to the board of that university.

It would be just as inappropriate, Sir, to ask the Minister of Education, under delegated authority, details about administrative decisions taken by the board of governors of the University of Manitoba. Questions respecting those agencies are usually limited to the funding provided by government and to the direction provided by government through either ministerial directive or legislation. The details of operation or of settlements of this type are only appropriately directed

to the board. The Minister is not responsible to this House for the operations of those boards. The boards themselves, which are elected by the members of their respective jurisdictions, are responsible for that administration.

MR. SPEAKER: The Opposition House Leader on the same point.

MR. H. ENNS: Mr. Speaker, in the first instance, there's \$100,000 of taxpayers' money involved. Secondly, it is not before the courts. The matter's been settled without redress to the courts. Surely, the representatives of the people's trust, the people's public money have some responsibility in answering as to how that was arrived at.

Mr. Speaker, the whole question of Ms. Betty Schwartz, her involvement with the Children's Aid Society, the whole issue of how this government has handled Children's Aid Societies has been very much germane to this Chamber, has been very much a responsibility of this particular government. I think my colleague's questions are very much in order. Mr. Speaker, I would ask you to reconsider the questions that my colleague is asking.

MR. SPEAKER: Order please.

The Honourable Member for Fort Garry to the same point of order.

MR. C. BIRT: On the same point of order, Mr. Speaker. As city councillor, the then Minister responsible for the department back some year ago, the Member for Brandon East, fired the entire board and I received a personal telegram from him. So if the Minister of the Day can fire the entire board, I'm certain that the Minister currently in charge of Children's Aid has the authority and the responsibility to answer those particular questions. You can't have authority at one time to fire the entire staff and then not have the authority this time.

MR. SPEAKER: The Honourable Government House Leader.

HON. A. ANSTETT: Yes, Mr. Speaker, I appreciate the comments of the Member for Fort Garry and I believe he is quite accurate in his recollection of the facts. However, since that time, perhaps unbeknownst to him, the legislation was changed and the authority to appoint the seven new boards is vested in the membership of those boards, and the circumstances under which the former Minister operated are not the same legislative authority as is now provided to the seven boards in the City of Winnipeg.

MR. SPEAKER: Order please.

The Honourable Member for St. Norbert on the same point.

MR. G. MERCIER: Mr. Speaker, on the same point of order. Perhaps unbeknownst to the Government House Leader, this government appointed the interim Board of the Children's Aid Society that is now dealing with this matter.

MR. SPEAKER: Order please, order please.

I recognize the problem that is before the House. I know that part of the Minister's responsibility is providing certain funds to the Children's Aid Society. Whether the affairs of the Children's Aid Society are properly a responsibility of the Minister, I am uncertain. If the Minister considers it so to be, perhaps she would like to answer the question. If not, I will take it under advisement and consider it further.

The Honourable Minister of Community Services.

HON. M. SMITH: Mr. Speaker, all I can do on the question is repeat what I said in the first instance. The authority to make a settlement with a staff person or personnel issue is delegated to the interim board of CAS Winnipeg, and they, within their delegated powers, have negotiated a settlement and arrived at it, which I think is all orderly and as it should be. I am very pleased that they have agreed on a mutually satisfactory settlement out of court. The option of going to court, of course, is always there for both parties.

MR. G. MERCIER: A question for the Minister. Does she know the terms of the settlement? If she does, does one of the terms of the settlement involve a gag rule against Ms. Betty Schwartz with respect to discussing this matter with the public?

HON. M. SMITH: Mr. Speaker, the details I gave in the first answer having to do with the amount of the settlement and who was funding each portion of the settlement is all I know about the settlement. We delegated that authority to the board to deal with that personnel severance issue.

NDP campaign workers - Provincial elections across Canada

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

MR. G. MERCIER: Thank you, Mr. Speaker.

I have a question for the Minister of Energy and Mines. Could the Minister inform the House as to whether or not his executive assistant, Klaus Tibelius, has been and presently is in the Province of Newfoundland working for the NDP in the provincial election?

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

HON. W. PARASIUK: Mr. Speaker, my executive assistant is on a leave of absence and I certainly hope that he is in Newfoundland helping the New Democratic Party.

MR. G. MERCIER: A question for the First Minister, Mr. Speaker. Could the First Minister indicate, Mr. Speaker, to the House, how many other executive assistants, special assistants, or New Democratic Party members hired into the Civil Service have been, or are presently in the Province of Newfoundland, working for the NDP in that election or are in or planning to go to the Province of Ontario to work for the NDP in that provincial election?

MR. SPEAKER: Order please. The Honourable First Minister.

HON. H. PAWLEY: I don't know the number, but I suspect there will be a number that will take a leave of absence and will be involved in the campaign in Ontario or Newfoundland, but not at the expense of the Province of Manitoba.

MR. G. MERCIER: Mr. Speaker, a final question to the First Minister. Could the First Minister inform the House as to what reciprocal arrangements have been made with the New Democratic Party in these other provinces in order that New Democratic Party workers from across Canada, Mr. Speaker, can come to Manitoba in the next . . .

SOME HONOURABLE MEMBERS: Oh, oh!

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

I can't hear the question from the Honourable Member for St. Norbert.

MR. G. MERCIER: Thank you, Mr. Speaker.

I was asking the First Minister whether he could inform the House as to what reciprocal arrangements have been made with the New Democratic Party in all other provincial elections to return this favour to the Premier of this province in the next provincial election, so that NDP workers from all across Canada, Mr. Speaker, can come to Manitoba to work in the next provincial election to save this last socialist beachhead in Canada?

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please, order please.

The question does not entail a matter which is in the administrative competence of the government.

DEW Line - upgrading of

MR. SPEAKER: The Honourable Member for Swan River.

MR. D. GOURLAY: Mr. Speaker, I direct a question to the Premier. In view of the Government of Canada's recent commitment to modernize the DEW line beginning this year at a cost of some \$1.2 billion - and I believe the completion date is scheduled for something like four years hence - what approach or contacts have the Premier or members of this government made with Ottawa to ensure that Manitobans and Manitoba firms are getting a fair share of supplying goods and services to this project?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, I'll have to take that question as notice.

MR. D. GOURLAY: I'd ask the Premier a further question. Has his government made any commitment or undertaking, again to Ottawa, in support of the

Community of Churchill in fulfilling a role as a distribution centre for the upgrading of the DEW line?

HON. H. PAWLEY: Mr. Speaker, let me just respond in general. As the honourable member knows, this government is pushing Churchill in respect to Churchill's development as a port, unlike honourable colleagues across the way that neglected Churchill for four years, while they had the opportunity to work on behalf of the Port of Churchill.

Mr. Speaker, I'll take the specific question as notice.

MR. D. GOURLAY: A further supplementary question to the Premier. I wonder if the Premier - he mentions he was taking as notice the first question regarding the DEW line upgrading and being able to supply a fair share of goods and services from Manitoba, I wonder if the Premier would also find out when contact was made with Ottawa regarding this fact.

A further supplementary to the Premier - it is my understanding that with the modernization of the DEW Line that, when that is finished, it will replace the Pine Tree line operation and as a result there will be sites closed on the Pine Tree line involving two sites in Manitoba. I'm wondering what contact the Premier has made with the Minister of National Defence with regard to the implications the closing of those two places in Manitoba will have on those communities.

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, I will be taking those questions as notice and I thank the honourable member for raising concerns in respect to Federal Government actions as they affect the Province of Manitoba; and I'm most appreciative that he's posed those questions to me so that I can pursue them.

Farmers of Manitoba - Federal increase in interest

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. A. ADAM: Thank you very much, Mr. Speaker.

My question is directed to the Premier as well, it has to deal with implications of federal policy. In view of the Premier's meeting with the Federal Minister of Agriculture, I believe yesterday, I would like to ask the First Minister if he has had any success in trying to assist Manitoba farmers so that they will not be saddled with \$33 million or \$3.2 million worth of extra fees.

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, I am pleased to have an opportunity to respond to that question. I'm sure that all honourable members, particularly those representing rural constituencies, would be anxious to know the results of the meeting that was held yesterday with the Federal Minister of Agriculture, Mr. Wise, right here in the City of Winnipeg in the Province of Manitoba.

Mr. Speaker, as honourable members are aware, there were proposals that would have caused a sharp increase insofar as user fees were concerned in respect to certified seed, in regard to livestock grading, and in

respect to performance testing. Mr. Speaker, I'm pleased to be able to indicate to the House that the Federal Minister of Agriculture indicated that as a result of discussions he has held with different groups, associations, meetings such as the one that was held yesterday morning, that he is reconsidering the extent of those increases and I expect we'll be receiving more precise information shortly.

Mr. Speaker, there are a number of other items, if the honourable members wish to give me leave, that I could report on in respect to the meeting that would be of importance to farmers in the constituencies of the honourable members.

Flood Assistance Program - Bellsite-Birch River area

HON. H. PAWLEY: The Bellsite issue which the Honourable Member for Swan River had raised with me earlier and which I had taken as notice and had followed up with some further response last week, we held further discussions in regard to Bellsite, to Garland and Washow Bay and the province indicated its willingness to put up 50 percent of additional funding in order to extend the boundaries, in order to include some 216 additional farmers within the Swan Valley area.

Mr. Speaker, I'm also satisfied that the Federal Minister is sympathetically looking at the Manitoba proposal and we may in fact receive early response from the Federal Minister of Agriculture as to co-operatively working with the Province of Manitoba to extend those boundaries to include the farmers affected by flooding in Bellsite, Garland and the Washow Bay areas of the Province of Manitoba.

Sugar beet industry

HON. H. PAWLEY: Also I know that honourable members have been concerned in respect to sugar beet stabilization and national sugar policy. The Minister indicated his deep concern in respect to the sugar beet industry in the Province of Manitoba, and indicated that he'd delegated responsibility to the Minister responsible for the Wheat Board, the Member for Portage-Marquette, and that he hoped he would indeed have a response from the Minister responsible for the Wheat Board, so that appropriate steps could be taken in view of the critical condition that could be faced by sugar farmers in the Province of Manitoba - again, a promise to return to us at a very early point.

As to the whole question of financing at the federal level, the bankruptcy legislation, Mr. Speaker, the Minister agreed that they would be proceeding with legislation in that regard, and the details of that legislation would be known to Canadians in general within the next few weeks.

Import tariff re Manitoba hogs

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. A. ADAM: Yes, a supplementary question to the First Minister which he didn't touch upon. What occurred yesterday is that the United States, I

understand, have imposed an import duty or an import tariff on Manitoba hogs. I'm wondering if the Premier could advise if he had that discussion with the Federal Minister as well.

HON. H. PAWLEY: I did indeed raise the question of a threatened imposition of a duty in respect to the importation of hogs from Canada into the United States. Mr. Speaker, the Federal Minister indicated at that time that he had nothing to report. I find it somewhat ironic that the Americans would have proceeded unilaterally in view of what I thought was a spirit of good will that supposedly was developed at the Shamrock Summit Conference of a week ago, that the Americans would have acted in the unilateral way that they had in respect to the importation of hogs from Canada into the United States and the possible negative and damaging impact that will have on the pork producers of the Province of Manitoba.

Wife Abuse - funding

MR. SPEAKER: The Honourable Member for Rhineland.

MR. A. BROWN: Thank you, Mr. Speaker.

My question is to the Minister of Community Services and Corrections. Can the Minister tell this House whether as a result of her \$100,000 ad campaign asking abused women to seek help, that these women coming forward find that they have no place to go for help because all the facilities are overcrowded and cannot look after them because of underfunding?

MR. SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Mr. Speaker, I appreciate the chance to comment on the issue. We are noticing some increase in calls as a result of the ad campaign, but even the centres and the crisis line people who are experiencing the extra load are telling us that they would rather have the situation where we're building the awareness and the resistance of the community to tolerating that sort of abuse as their preferred route.

We have extra resources available which we're monitoring closely where the pressures are, and along with trying to train for the long-term programs, we are making available added resources to meet the immediate need.

MR. A. BROWN: Mr. Speaker, my question is to the same Minister. A lot of the blame seems to be put on the Federal Government for underfunding. Can the Minister tell me, did she work in conjunction with the Federal Government and receive approval from them when she went on this wife abuse program and the ad campaign?

HON. M. SMITH: Mr. Speaker, nothing would please me more than to have a planned and co-operative approach with the Federal Government on meeting these social programs. Part of our problem has been short-term programs which they start and then stop, having raised the expectation, developed the capacity

of a group of people to meet the need and then they are left high and dry, Mr. Speaker, with no more funding and not even the advantage of some sort of steady development. We don't have the flexibility and resource to build quickly or pick up all of these dropped programs, Mr. Speaker.

We're gradually folding in the ones that do fit into our framework and being as responsible as we can, but as the list mounts day by day of programs that were funded federally and that are being dropped, Mr. Speaker, in spite of promises to the contrary by the Prime Minister of Canada, there is no way in which, at the provincial level, we can begin to pick up those programs.

MR. A. BROWN: My question is to the same Minister. She has created great expectations among these women who are coming forward and they're coming forward with great difficulty because it's not easy for them to come forward.

My question is because she has gone ahead without the approval of the Federal Government on this, is she now going to provide the funding to look after these people that are coming forward to identify themselves?

HON. M. SMITH: Mr. Speaker, the Province of Manitoba takes a back seat to no province in this country for the building up of a comprehensive network of services, over 20 community committees right across the province, something that's going to top \$1 million to 1.5 million this year, but the problem is that it is not an issue that can be solved solely by us throwing in more money and staff people. It's got to be a problem that the community people themselves wrestle with and where they build in volunteer and local supports to complement what we can do from the centre, Mr. Speaker.

I, for one, feel that if we get the awareness of the community and if we build the will at the community level not to tolerate spousal abuse, that we will have gone a long way towards taking the first major step. We're very conscious of the need to build in all the follow-up and treatment services. There are not trained people to do a lot of this, Mr. Speaker, but there's been great will on the part of paid staff and volunteers to spend their time attending workshops and acquiring the expertise. I can't say enough good words about the extent of the voluntary input, primarily committees of women in the local communities and, in some cases, supplemented by voluntary work by probation officers male and female to deal with this problem in a comprehensive way. Much more remains to be done, but I think we don't need to take a back seat to any province with the programs developed to date.

Family Life Program

MR. SPEAKER: The Honourable Member for Morris.

MR. C. MANNES: Mr. Speaker, last July I wrote a letter to the Minister of Education in which, amongst other things, I asked for a detailed schedule of the revision process with respect to the government's controversial sex education program. For some reason, the Minister chose not to offer that to me. I'm wondering

if I can ask the Minister if she could indicate what the government's present timetable is with respect to introducing family life and sex education curriculum into the public school system.

MR. SPEAKER: The Honourable Minister of Education.

HON. M. HEMPHILL: Thank you, Mr. Speaker.

I do not recall having a specific request for information from the member opposite that I have not responded to, but I'll certainly check that early this afternoon and try and provide a response to him.

In terms of the general question about what is the timetable and what is the plan, as many as the other programs are, it's a part of our Estimates, part of our policies and part of our program for the coming Session and it will all be announced at an appropriate time.

MR. C. MANNESS: Mr. Speaker, I'm wondering if the Minister can indicate whether the revised curriculum will be in place in the public school system this coming fall and, furthermore, whether she'll provide to me a copy of the revised curriculum on its completion.

HON. M. HEMPHILL: Mr. Speaker, as I indicated before, when the appropriate time comes that any material and any curriculum is ready to go into the schools, and I am ready to announce it and satisfied with the materials and the curriculum, I will make the announcements and he will receive them.

In terms of the final curriculum, of course, when it is completed as any curriculum that we're completing in the department, when it is completed and approved, I'll be quite happy to make it available to the member opposite and anybody else.

Equalized assessment - adjustment of

MR. SPEAKER: The Honourable Member for Ellice.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. B. CORRIN: Mr. Speaker, it really is remarkable and it's admirable to be so popular, I'm sure.

My question, Mr. Speaker, is for the Minister of Municipal Affairs. In view of the City of Winnipeg's refusal to pass the school mill rate last night, can the Minister advise the House whether or not he's prepared to adjust the equalized assessment for the City of Winnipeg to reflect the Municipal Board decision respecting the North of Portage assessment area?

MR. SPEAKER: The Honourable Minister for Municipal Affairs.

HON. A. ANSTETT: Mr. Speaker, I appreciate the interest of both the Member for Ellice and the Member for St. Norbert with respect to this matter, which I know is of some significance to at least half the members of this Chamber who represent City of Winnipeg constituencies.

As all members appreciate, the whole question of assessment in the Province of Manitoba is a very complex matter. I'll try not to dwell on the complexity of the whole issue and address only the narrow question

of equalized assessment. However, Mr. Speaker, members will remember that we unanimously passed in this Chamber in 1983, Bill 105, which froze the equalized assessment for all 202 municipalities in the province. Despite adjustments since then reflecting re-assessments or in this case, municipal board decision, that law is tight and there is no way of driving any holes through that either through the legal process, in the opinion of our departmental solicitor, or allowing the provincial municipal assessor to set a different level.

In other words, we have no freedom under the existing legislation, Mr. Speaker, to adjust the equalized assessment even in the event that we wanted to reflect the Municipal Board decision.

The Municipal Board decision does, however, affect the local municipal levies with respect to the North of Portage properties, and they are accordingly lowered and the City has rebated to those property owners amounts reflecting that decision.

I am prepared though, Mr. Speaker, as Minister, to make a commitment to the City of Winnipeg since the Municipal Board decision did not affect the equalized assessment and the Municipal Board would have no authority to overturn legislation of the Province of Manitoba freezing that assessment, if any ratepayers affected by their inability to adjust the equalized were to successfully pursue that, the province would have to address any obligations placed upon the city as a result of that.

So although it's a very complex question, Mr. Speaker, we are prepared to come to the aid of the city should they be held liable for the freezing of the equalized assessment which was done unanimously by this House two years ago.

MR. B. CORRIN: A supplementary to that question and answer, Mr. Speaker. Can the Honourable Minister indicate to the House what impact and effect the additional burden of this tax will have on the actual mill rate assessment levied against the affected properties?

HON. A. ANSTETT: The analysis of my department, with respect to and in discussions with the Mayor and staff of the City of Winnipeg with whom I have met twice in the last 48 hours with respect to this matter is that the net impact on the other category, which is the commercial/industrial classification in the City of Winnipeg - and these are the only ratepayers who are affected by this difficulty - would be somewhere between one-half mill and less than a full mill. We're talking about a total amount of \$635,000 spread over the whole commercial/industrial classification so the impact is very small on any individual ratepayer.

Tax rebates - Farm trucks burning unleaded gas

MR. SPEAKER: The Honourable Member for Roblin-Russell.

MR. W. McKENZIE: Thank you, Mr. Speaker.

Mr. Speaker, there are a lot of farmers across the province within the last six months or so who have bought trucks that only burn unleaded gas. These

farmers are advised, or these truck owners, that purple unleaded gas is not available at the bulk dealers across the province.

I wonder if the First Minister or the Minister of Finance could advise how these farmers are able to qualify for the tax rebates that other farmers are entitled to if they burn regular gas?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, I'll take that question as notice on behalf of the Minister of Finance.

Boissevain Land Title Office - Closure of

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, I have a question for the First Minister. The government has announced its intention to close the Land Titles Office in Boissevain following upon increases in user fees which have led to the fact that the overall land titles system makes millions of dollars in profit through the taxpayers.

Since the First Minister has expressed justifiable concern over the Federal Government's proposed increases in user fees and over the potential damage to communities as a consequence of closure of DEW line facilities, will the First Minister reconsider the government's decision to close that Land Titles Office?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, that question was posed a week or two ago, the substance of that question. It was indicated by the Attorney-General and myself at that time that the matter of the Boissevain Land Titles Office would be reviewed in light of the presentations that had been made.

MR. B. RANSOM: A supplementary to the First Minister, Mr. Speaker. Since the First Minister has indicated that it is being reviewed and since he has not yet responded to my letter of February 5th and a subsequent letter some 10 days later, can we take it that as of this moment, the decision to close the Land Titles Office in Boissevain is not an irrevocable decision?

HON. H. PAWLEY: Mr. Speaker, I would like to correct what, indeed, could have been an incorrect impression left by the Honourable Member for Turtle Mountain in this House that there had been an increase in respect to Land Titles Office user fees. There has been no such increase for in excess of a year, according to my understanding from the Attorney-General. So the Member for Turtle Mountain, indeed, is leaving an incorrect impression if he is suggesting there is any hike insofar as Land Titles Office fees are concerned pertaining to the current year.

Mr. Speaker, I've already dealt with the question with respect to the Boissevain Land Titles Office; it is under review.

MR. B. RANSOM: Mr. Speaker, I have a further question for the First Minister. In view of the fact that the

government estimates that its revenues from the land titles system this year will rise from \$7.8 million to \$10 million, can he explain why the increase in revenues if the fees haven't been increased?

MR. SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Yes, Mr. Speaker, the economy in Manitoba is doing so well under the leadership of this government. And the housing program brought in by the Minister of Housing has been so successful that the volume of transactions are the reason for the record volumes in the Land Titles Office and the increase in revenue.

CEDF Loans - Beef N Reef Restaurant

MR. SPEAKER: The Honourable Minister of Northern Affairs.

HON. H. HARAPIAK: Yes, Mr. Speaker, on March 26th, the Member for Sturgeon Creek asked me a number of questions relative to the Beef N Reef Restaurant of Lac du Bonnet.

I would advise the member today that this receivership activity is being undertaken in a manner no different from any other receivership, resulting from a court order obtained on behalf of secured creditors. Our legal counsel has advised me that as soon as the Receiver validates the people concerned and the amount of wages owing, the wages will be paid by the client. And as to further particulars requested by the Member for Sturgeon Creek on unpaid taxes and some other questions he raised, I am satisfied that that information can be brought forward when the Standing Committee meets to discuss the Economic Development Fund.

Thank you.

Boissevain Land Titles Office - Increase in transactions

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, a question to the Attorney-General. Can the Attorney-General advise the House whether he anticipates that the number of transactions through the Boissevain Land Titles Office would also be increasing?

MR. SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: What the Member for Turtle Mountain apparently is unaware of or has not been informed about is that over 80 percent of the transactions in the Boissevain Land Titles Office are by mail. And that mail service, which is primarily what it is, is just as efficiently done in Brandon as it is in Boissevain and that the balance of the service which is not by mail can just as efficiently be done in Brandon as in Boissevain. The level of service is not being changed, Mr. Speaker, nor will the level of income be

changed, because those transactions which must be registered in a Land Titles Office will still be registered in a Land Titles Office.

Having said that, the First Minister has indicated, in line with all of our decisions, when representations are made, we listen - and we listen very carefully - and in the light of representations we take another look.

MR. B. RANSOM: A question to the First Minister then. While the First Minister is reconsidering this decision, will he take into consideration the fact of what the Attorney-General has just laid on the record that it is equally efficient to have the office in Boissevain as it is to have it in Brandon. Given the fact that there will be a tremendous impact on the community of the southwest, will the First Minister take that into consideration when he himself reviews this decision?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: I don't know, indeed if the Member for Turtle Mountain is suggesting that Brandon Land Titles Office ought they closed - if he is suggesting that - let him put that suggestion clearly on record, Mr. Speaker.

Honourable members can't have this both ways. On one hand they ask us to reduce the deficit of the Province of Manitoba, but if it affects them, Mr. Speaker, they're the first ones to protest in the attempt to ensure greater efficiency and cost saving on the part of this government.

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

MATTER OF URGENT PUBLIC IMPORTANCE

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOWNEY: Mr. Speaker, I beg to move, seconded by the Honourable Member for Emerson, that under Rule 27, the ordinary business of the House be set aside to discuss a matter of urgent public importance; namely, the failure of the government to make clear and precise its opposition to the United States Commerce Department in its implementation of a 5.3 cent per pound, or a \$12 per hog import duty to come into effect April 1st of 1985.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please.

MR. J. DOWNEY: This announcement was made yesterday and its effects will be severe on the Manitoba hog farmers in their loss of markets which last year was \$5 million. No prior explanation has been given by this government to assess the impact the move will have on taxpayers and the costs involved with the Manitoba Hog Stabilization Fund.

MR. SPEAKER: Order please. In accordance with our Rule 27, the honourable member has five minutes in

which to explain to the House the urgency involved in his motion.

The Honourable Member for Arthur.

MR. J. DOWNEY: Mr. Speaker, in pointing out the urgency, I want to make it very clear the first impact is the one which is on the Manitoba hog producers and the amount of money in which they stand to lose with the kind of implementation of such a tariff.

Last year Manitoba hog producers sold approximately \$5 million worth of hogs into the United States market, a market which I'm sure was enjoyed and that kind of income had tremendous economic spinoff to the whole economy of Manitoba.

Mr. Speaker, a further important point of urgency is the fact that we're now debating the Budget of which there are stabilization funds made available. However, I am not sure how many are made available for the Hog Stabilization Program and if, in fact, we're asked to vote next Tuesday or next Monday night on Budget and there aren't sufficient funds to bolster or to maintain the Hog Stabilization Program, Mr. Speaker, it could in fact put that fund in danger and further add to the farm bankruptcies in Manitoba without the support of that program.

So there is a matter of urgency in view of the fact that we are in the debate for funds for this particular year's funding. Mr. Speaker, it's extremely important as well and the urgency is that, as of the first of this week, we saw a hog market in the neighbourhood of some \$65.96 per cwt's. In the last two days that market has dropped \$2 per cwt to \$64, a substantial loss to the hog producers of Manitoba, which the province cannot afford nor the producers can afford. If that were to carry on on a daily basis, Mr. Speaker, it would cost Manitoba and the hog industry numerous amounts of money and the quicker it would be dealt with, the better.

As well, Mr. Speaker, the fact that there are increased marketings for people to try and get ahead of the imposition of that tariff which is to be imposed on April 1, 1985, is another reason for the urgency of the debate. The decision or the implementation takes place next week. This is the first opportunity that I have had, since the House was closed yesterday and the MLAs were visiting Brandon Fair, to bring it to the government's attention.

As well, Mr. Speaker, I want to point out on the urgency of the matter that I am on record in Hansard as of last Monday, March 18th, when I pointed out to the government and the Minister of Agriculture the possibilities of the implementation of such a tariff and such action being taken by the United States. There was no action taken by this First Minister or by this government, and therefore again say, today we want to see action. And it is urgent, Mr. Speaker, because we have 3,300 hog producers that are waiting for this Minister of Agriculture and this Premier to speak out on their behalf, Sir.

MR. SPEAKER: The Honourable Government House Leader has also five minutes to speak on the urgency of the matter.

HON. A. ANSTETT: Thank you, Mr. Speaker.

Mr. Speaker, we on this side, would welcome the opportunity to debate this matter, not only with

members opposite, with whom I suspect we are in substantial agreement on the basic policy matter, but also on the role of government in addressing these questions.

There are however, Mr. Speaker, before we can engage in that debate, the procedural questions, Sir, which you must adjudicate and I wish to bring several matters to your attention, somewhat reluctantly, Sir, because I would like to join in this debate. But I think, so as to avoid the setting of an awkward precedent with regard to the definition of matters of urgent public importance, I think I should bring to your attention, Sir, that we on this side would agree, first of all, that there is urgency with respect to the decision taken, or announcement yesterday by the United States Government.

The question of jurisdiction with regard to direct response to that decision is clearly in the federal arena, Sir, and not a matter before the province. However, the level of consultation and the impact on stabilization and the role of the province in dealing with the Federal Government certainly can be a matter and subject of debate. The member has raised the urgency though, Sir, in the context of the U.S. departmental moves, not in the context of our discussions with the Federal Government.

So the question of jurisdiction, Sir, is one you may wish to adjudicate on this matter and I would want to be sure that it is clearly the matter of the province's role with respect to the Federal Government and not any negotiations or discussions with the U.S. department that is the subject of the matter of urgency.

Sir, I agree with the honourable member that the Budget and interim debate opportunities are provided at the present time, during which this debate could take place, and I'm not convinced that there are no other opportunities. However, Sir, some members on both sides who may be interested in this issue may have exhausted their opportunity to speak on the Budget and would not have another opportunity until the Budget Debate was completed, when we would then proceed to Interim. We could adjourn the Budget Debate today and I would make a commitment to move directly to Interim, which would provide an unlimited opportunity to debate this issue. So there is another opportunity available if members opposite wish to adjourn the Budget Debate.

Sir, I agree with the honourable member that the question of severe market fluctuations within Manitoba are alone a matter of urgency. I agree with the honourable member that he has raised this at the earliest opportunity.

So, on a number of counts the matter is clearly in order. I ask you, Sir, to adjudicate, though, whether other opportunities exist. On the jurisdictional question, I would urge you to consider the precedent and I hope that no precedent would be established because of our suggestion of our desire to debate this issue, because these rules have been established to avoid debates which are not appropriate here.

I wish to emphasize, Sir, perhaps the one area where I have substantial disagreement with the honourable member opposite is with his allegation that there have not been aggressive discussions on this issue over a number of weeks, both by the Premier yesterday, at which other Ministers were present, and by the Minister

of Agriculture and by staff. We pursued that, Mr. Speaker, and if you do choose to rule that the debate is in order, we welcome the opportunity to debate this matter.

SPEAKER'S RULING

MR. SPEAKER: Order please.

The Honourable Member for Arthur has fulfilled the requirement under Rule 27 to give the proper notice of this motion. I can make no ruling on the jurisdiction of the House to deal with this particular matter.

I recognize that the subject matter might be of some urgency to members, however, Section 287 of Beuchesne does say that, " 'Urgency' within this rule does not apply to the matter itself, but means 'urgency of debate'; when the ordinary opportunities provided by the rules of the House do not permit the subject to be brought on early enough and public interest demands that discussion take place immediately."

Since we are in the middle of a debate in which there is little limit on the subjects for discussion, we will soon be into Estimates or Interim Supply, there is ample opportunity for the members to discuss this matter; therefore, I must rule it out of order.

Orders of the Day.

HOUSE BUSINESS

MR. SPEAKER: The Honourable Government House Leader.

HON. A. ANSTETT: Mr. Speaker, before we resume the Budget Debate, I would like to make a brief statement with respect to the business before the House over the next several days.

As is our custom, the House will not be sitting on Good Friday, April 5th. I discussed with the Opposition House Leader and agreed that we would also follow custom in sitting what are normally described as Friday hours on Thursday, April 4th, so on that day we would sit at 10:00 a.m. until 1:30 p.m., or at the wish of members we may adjourn early as is our wont on occasion.

The Budget vote, Sir, we would expect on Monday evening at 9:30, I believe that's what is anticipated and we would hope to deal with Interim Supply on Tuesday, April 2nd. That would be the first item of business I would call that day or, Sir, if I can repeat my offer, on any other day on which the Budget Debate is adjourned. I make that offer to members opposite that if they wish to debate the provision of Interim Supply, for example, to the Department of Agriculture, we would welcome that debate upon the adjournment of the Budget Debate this very afternoon.

MR. SPEAKER: The Honourable Opposition House Leader.

MR. H. ENNS: Mr. Speaker, if I want a further clarification, I assume that we do sit on Easter Monday, as has been our practice.

HON. A. ANSTETT: Yes, Mr. Speaker, that was in my notes. In accordance with the provision of The Legislative Assembly Act respecting lengths of adjournments, I believe it is the wish of all members, particularly all rural members, to sit on Easter Monday.

ORDERS OF THE DAY BUDGET DEBATE

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance and the amendment thereto proposed by the Leader of the Opposition, the Honourable Member for Ste. Rose has 20 minutes remaining.

MR. A. ADAM: Thank you very much, Mr. Speaker. It's a pleasure to resume where I left off Tuesday last. When we adjourned I was referring to comments made by members opposite, the Member for Lakeside and the Members for Emerson, Niakwa and Assiniboia. Mr. Speaker, the Conservative members have been repeating their comments - it's been a repetitive comment from member-to-member on the opposite side - that nothing has happened in the Province of Manitoba since the NDP were elected to office. On Tuesday last, my colleague, the Member for Dauphin, the Minister of Highways, cited chapter and verse on all the good programs that were going on in the Province of Manitoba - in the constituencies of the Members for Emerson, Assiniboia, Niakwa, Lakeside, Minnedosa - and there seemed to be a look of bewilderment on the faces of these members, the way they sat there. They were surprised to hear what really was happening in some of their own constituencies.

Mr. Speaker, I also mentioned in my comments that members opposite have been out to lunch, not only since they've been in opposition, but for four years prior to that. It's not surprising that they don't know what's going on in their own constituencies. I just want to quickly advise the Member for Emerson that just the other day I met one of his constituents and we got to chatting a bit and the conversation got around to politics, government and so on, and off the cuff, I said to this individual from the Emerson constituency, well, how is Albert Driedger doing? His response was, "I haven't seen him since the election." — (Interjection) — Now my colleague, the Minister for the Environment, says that he heard that as well on Saturday. It's not surprising, Mr. Speaker, that they don't know what's going on. They have been out of touch for the last seven-and-a-half years on what's going on in Manitoba, even in their own constituencies.

The Honourable Member for Emerson, I want to advise him that that constituency is ripe for the plucking. That constituency is ripe for the plucking. I am retired, Mr. Speaker, I'll be retired; he will be fired in the next election. I can tell him that with a great deal of confidence.

We have, at the present time, even just one project - never mind all the Jobs Fund and all the other good things that have been happening, the infrastructures that we have been building - we have one project; it is the biggest project in the history of this province. It is the biggest project in 1985 on the North American Continent. It may be the biggest project - and I believe it is - under way perhaps in the world.

Of course, Mr. Speaker, I exclude the MX missiles; I exclude Cruise missiles, atomic submarines and Northern Dew Lines and all these tools and all these projects to destroy human lives. I exclude all those. Those projects may be much larger than the \$3.7 billion

or \$3.2 billion of the project for Limestone. I admit that maybe the MX missiles and all the rest of it may accumulate to a greater amount of input, but I say that our project and our position is not to build projects that destroy human beings, but rather to enhance and enrich the lives of Canadians and Manitobans by such projects as Limestone.

Mr. Speaker, amazing, the largest project in the history of this province, and the critic for Hydro sits on the other side, the Member for Lakeside, in a 40-minute speech, never mentioned Limestone once, never talked about it. That is almost unbelievable.

We heard Tuesday, coming from a member over there - I'm not sure whether it will be recorded in Hansard - but a member opposite was heard to say, "We're not opposed to Limestone."

Mr. Speaker, I ask you to review the amendment proposed by the Leader of the Conservative Party and I ask you to refer to "(c)" of their amendment, and I'm reading verbatim, a motion proposed by Mr. Filmon, and (d)(e), I ask you to refer to Section (e), "THAT the government has abandoned the orderly financial development of our hydro-electric resources for the benefit of all Manitobans in favour of a wilful rush into an election motivated development timetable." A member was heard to say on Tuesday, "We're not opposed to Hydro."

Mr. Speaker, here is the proof. The proof is in the pudding and it's right here in their own amendment. I'm sure they rue the day when they developed this amendment and put that section in it. So I say to them, Mr. Speaker, that they are out of touch; they are out of touch and that's why I have referred to them as being out to lunch. They are out to lunch, Mr. Speaker, on almost every issue.

They're out to lunch on Limestone and this New Democratic Party Government is on the job. It's on the job, we are not out to lunch; we are behind our desks; we are working for the benefit of Manitoba.

Mr. Speaker, when we adjourned Tuesday, I was into the agriculture area of my remarks. You know, the Conservative Opposition are not only running scared on Limestone, but they're running scared on our agriculture policy as well. The reason for that is that most of them represent agricultural constituencies. They know that our policy on agriculture is being accepted and well received by the farming community; they know that. They know that their constituencies are on the line; they know that they're in trouble and that's why they're running scared on that.

On agriculture policy, the Conservatives everywhere are selling farmers down the river. They are betraying the farmers the family farm. You've heard of this - it was raised this morning in the question period - the Blarney Summit that was held in Ottawa and I prefer to call it the Bullarny Summit; and, Mr. Speaker, for your staff, so they know the spelling of that word, it's B-u-l-l-a-r-n-y. That's the Bullarny Summit. My God, Mr. Speaker, what happened there at that meeting? We abandoned ship. Canada abandoned ship there with the President of the United States. I call it show biz; that's what it was - Show Biz Bullarny.

Yesterday - and it was raised again by the Member for Arthur - and we're all concerned about this, let's make no mistake about that; we are concerned. Yesterday, there was a decision to impose an import

duty or an import tariff on Canadian hogs, Mr. Speaker. Now, is that the result and the response that we are getting from the United States on our Summit Meeting? Is that the result? We gave away the ship; we abandoned the ship and now we're getting slapped with an import duty on our hogs. We will be very happy to get into the debate on this very important issue for Manitobans.

What do Conservatives think about farmers? What do Conservatives everywhere think about farmers? Let me tell you what the President of the United States thinks about farmers and, certainly, no one will argue that he isn't a real good Conservative. He's quoted as having said here, and I quote, Mr. Speaker, and he wouldn't retract and he certainly was unrepentant on his comment, but they were talking about the financial crisis of the American farmers and here's what he said. He said, "I think I figured out a way of how to solve the financial difficulties and financial crisis of the American agriculture. I think what we should do is keep the grain and export the farmers."

Now, Mr. Speaker, you're getting the same message from Ottawa from the Mulroney Government where the Minister of Finance, Mr. Mike Wilson, is referring to farmers as "fat cats". I say to farmers in Manitoba beware of Conservatives anywhere. They are not your friends. They may say they are, but they are certainly not, Mr. Speaker. That is an attitude of not only in the United States towards farmers, but an attitude of the Mulroney Government. Everybody knows the results, the threat to increase the cost to farmers of \$33 million, the \$400 million cut-back in federal farm credit loans. No money to help farmers, Mr. Speaker. The cupboard is bare they say, the cupboard is bare. Billions for corporate bail-outs and support, billions; millions for bank bail-outs. I don't want to get into that argument, it's a sad situation.

Where are the priorities, Mr. Speaker? We're not saying don't help the banks or the financial institutions as such, but if you're prepared to do that, if you're prepared to put in \$260 million to help out a bank that made bad loans in the United States or what have you, in Alberta and everywhere else, surely you must have a few dollars to help Canadian farmers and Manitoba farmers. The cupboard is bare they say. I say to farmers in Manitoba, you had better realize where your friends are.

Mr. Speaker, when it comes to agricultural policy, that bunch have been out to lunch. They've been out to lunch.

Mr. Speaker, when the Crow debate was up front and centre, they were out to lunch, we were not. We were not out to lunch, we were working on behalf of Manitoba farmers for the Crow debate. When it came to variable rates, we were not out to lunch, Mr. Speaker. We were working for Manitoba farmers and not only for Manitoba farmers as far as variable rates are concerned, but for business people as well because they will be affected.

So, Mr. Speaker, when we were talking about the Port of Churchill on which the Federal Government is dragging their feet, we're not out to lunch. We are working behind our desk and we're working for the benefit of Manitobans and Canada. Mr. Speaker, this means, in the final analysis, that this NDP Government has been working diligently, effectively for all Manitobans with benefit and enrichment and

enhancement of their lives. This means that whenever a provincial election is called, we will be sitting on this side of the House and they will out to lunch.

Thank you.

MR. SPEAKER: Are you ready for the question?
The Honourable Member for Swan River.

MR. D. GOURLAY: Thank you, Mr. Speaker.

I wish to speak on the Budget Debate. Unlike the members on the government side, some of them have been speaking, but they haven't been making any reference to the Budget, so I guess that they're not too happy with what they have seen in it.

The Member for Ste. Rose just concluded his remarks and I don't think that he said very much about the Budget at all. The Minister of Finance, I'm sure, must be concerned with the members on his side, because many have had the opportunity to defend the Budget, and I've heard them say very little with respect to the content of that Budget. I believe the members opposite are running scared. The members on this side are not running scared.

I don't know really what the reaction government members expected from the Budget. They haven't said very much themselves. I know that my own constituency, the people that I talk to, I think were disappointed in the Budget, some aspects of it. They appreciated the assistance for the farm credit. I believe there was some \$20 million budgeted for the Agricultural Credit Corporation to bail out some farmers that are experiencing some difficulties. When you read all the details on the program, it makes you wonder just how many farmers will be helped. For instance, some of the hoops are that you have to be a full-time farmer with net worth under \$185,000 and you have to have demonstrated that you've got management ability. Then, it goes on to say that you must be in financial difficulty and a number of other issues. The program is they're budgeting \$20 million and each loan will be able to consolidate debt up to \$200,000 of which the first \$100,000 will be at 9.34 percent and the balance will be at the regular MACC rate.

To give the government credit, I'm sure that there will be a number of farmers that this program will help. I believe the press release indicates that they anticipate there might be 200 farmers that are in financial difficulty. I guess that they're targeting perhaps there may be 200 farmers that will be helped. I'm sure that I would be the first to give the government credit if they can help any farmers to keep their farms, this is a good program.

The whole problem with this government is that the Minister of Agriculture went off half-cocked here about a month ago and tried to insist that all the lending institutions, the banks, the credit unions, and what have you, would bring down the interest rates to 8 percent when there's no way that they can get that money for 8 percent. Even the credit unions, who the members opposite are in great support of, were not happy with the Minister of Agriculture's comments, because it created a problem for many farmers trying to arrange for their credit needs. It threw a whole monkey wrench into the whole financial programming in the province as to what was going to happen.

I believe that the Minister of Agriculture did realize after - he thought after he spoke - that he had created a problem, so then it was necessary for him to introduce an 8 percent program for farmers that had loans under the Manitoba Agriculture Credit Corporation, where they could get an 8 percent write down for one year. Again, this program will help some 4,000 farmers, I believe, as indicated by the press release.

I think if the Minister of Agriculture had really thought this whole program out in advance, it would be much better for Manitoba farmers and the Province of Manitoba, because there is a great degree of confusion in the field of agricultural financing right now, and certainly the people that are going to be hurt by this program are Manitoba farmers.

The member that just preceded me speaking, the Member for Ste. Rose, indicated what a disaster the PCs were with respect to an agricultural policy; but it's this present government, this present NDP Government that's caused problems for Manitoba agriculture. We have seen record numbers of farm bankruptcies in each of the last three years. Ever since 1981 we've experienced farm bankruptcies like we have never seen before; and it was the NDP in the election campaign in 1981 that said, we are going to turn the harsh economy around in this province. Just give us a chance and you will see how we can turn the whole economy around and there won't be a farmer lose his business or there won't be a farmer lose his farm or someone go out of business because of the high interest rates.

Mr. Deputy Speaker, we know what has happened, the ag policy of this government. We have had just a disaster in agriculture in Manitoba as a result of the policies and programs of this present government. True, they say they have spent a lot of money in agriculture and they have spent a lot of money but they haven't managed it properly, obviously, because we have experienced a very bad situation. Many farmers are in trouble today and many farmers are out of business today because of the members opposite and the lack of programs that they instituted.

To get back to the Budget Address, I would have to say that the people of my constituency generally are not happy with the Budget. Sure they're happy that there are not a lot of tax increases, but they are concerned about the half billion dollar debt that's going to be incurred this year and no new services added. As a matter of fact, we have seen some services cut back, like the child related support program and the Minister has indicated that people weren't applying for it, and they cut back some \$350,000.00. I'd like to tell the Minister responsible for the CRISP Program that many families in my area have really been hurt by the cutback in the CRISP Program and the Minister knows it because he has received a number of letters from myself and from other members on this side of the House who have experienced difficulties in their constituencies and from families as well who have been cut back; and families that are in real need. They all of a sudden got a letter saying that because their net farm assets were over \$50,000, they wouldn't be able to qualify for the Child Related Income Support Program.

What did the Minister responsible say? He said that - I think I have a letter here somewhere - Maybe I haven't got it here, but basically the Minister responsible

for the CRISP Program said that we want to make sure that other needy families or more needy families get this program. Yet they cut back some \$350,000 from the program and I would just like to know how many families that the Minister actually went out and visited that have been cut off. I contacted all the people that contacted me in my constituency, went out and saw them personally, and in two or three cases I believe I was able to contact department officials and they revised their appraisal figures and, at least, put the families back on partial assistance, if not full assistance; but a number of them were cut off completely and said, that's it, sorry, we want to direct this money to other families in the province.

I'm not sure how many families were cut off the program but it has been reported that some 1,000 families were cut off the program, Mr. Deputy Speaker, and this is the government that says they are really caring and want to help the average, ordinary person in Manitoba. They callously just cut off many of the families that really depended on this form of income and I would appeal to the Minister to seriously look at this program and what he's doing to many families.

The Minister of Northern Affairs, who originally came from my constituency, comes from an area where a lot of families have been cut off on this program and he will know many of these families that have been hurt; and he knows many of these families that don't have a big income; they don't have a big land base. In many cases they are on Crown lands. They are raising cattle on Crown lands in the Cowan-Pine River area where many families have been denied assistance. I have reported it to the Minister of Economic Security who said in his letter that he was very sympathetic but he didn't want to change it because he felt that the criteria that they were now using represented a fairer distribution of the funds.

Mr. Deputy Speaker, I just want to put on the record that this Minister responsible is doing a lot of damage to some of these families who really depended on this kind of help and I would only appeal to him to go and visit some of them that have been cut off and just see how they are trying to get by without this assistance.

Mr. Deputy Speaker, what are people saying about the 1985 Budget? I believe that the majority of Manitobans are very very nervous with this government. They have instituted a Budget that sees our deficit grow by almost another half billion dollars. It now goes to something like \$1.8 billion accumulated deficit since they took power in 1981, and this actually doubles our accumulated deficit in the Province of Manitoba. I believe it more than doubles the total deficit; so in three and-a-half years or so since this government was elected, they have incurred an accumulated deficit of some \$1.8 billion - unheard of, just unheard of, and so many people ask me, is it now where we're taking it for granted that we can just live with a half billion dollar deficit each year because we are not getting any new programs or services. In many areas it's held the same - or as I mentioned, in the Child Related Income Program - it's cut back and certainly there are not many or any new services that are being provided, even though we are spending in excess of approximately half a billion dollars more than we are taking in.

So Manitobans are certainly concerned about where we're going in this province; and I think that, too, they

are upset with respect to the massive expenditure of taxpayers' money on advertising. Regardless of whether it's the Jobs Fund or now into the Limestone Generating Station, where there's a million dollars budgeted for advertising that program, whether it's Manitoba Telephone System and we see a lot of advertising with MTS, I'm not sure that is really necessary, to advertise this Crown corporation; and also that kind of advertising really irritates a lot of Manitobans.

MR. W. MCKENZIE: There's only one egg in the basket; that's the problem. They've got to advertise that one egg.

MR. D. GOURLAY: Hopefully the members opposite will see that they are creating many problems in this massive advertising campaign. Obviously it's only for one purpose and that is to prop up this failing government, to try and bail them out at the next election.

What are people saying about the 1985 Budget? In the Saturday Free Press, which was two days after the Budget Address, there was nothing but headlines about the Budget, but they weren't very good headlines. For instance, it says, "Pawley adds \$260,000 into payroll for political aides." This was on Saturday, March 23rd. Just to quote part of the first paragraph, it says, "Premier Howard Pawley has added more than \$260,000 to his \$1 million political aides' payroll, government spending estimates show." And as questions were asked of the Premier here earlier this week, he said this was to pay some four or five political aides that would be joining his department to work on special programs, I believe in the field of health and welfare, so to speak.

Another headline is "Overfunded program cut," and this is the one that I made reference to earlier. "The province has cut the Child Related Income Support Program budget by \$353,000 because of a lack of demand," Economic Security Minister, Len Evans said yesterday." I can't imagine why he would want to make this kind of statement when many families, as I mentioned earlier, are in real need and have been cut off this program.

Another editorial in the Free Press for March 23rd: "Wasting tax dollars. Is it necessary or right to spend a million tax dollars in the current economic environment to promote the early construction of the Limestone Generating Station on the Nelson River? This question must be occurring to every Manitoba taxpayer. It must be occurring with special force to every unemployed Manitoban." I can tell you, Mr. Deputy Speaker, that this is on the minds of many Manitobans.

Another headline in the March 23rd Free Press: "Personal care fees to rise four times." And I remember when we were in government and when we had these kinds of headlines, the screaming and hollering from the members that are now government who were members of the opposition at that time, regarding the increases in the fees to the senior citizens in personal care homes.

On March 23rd, another headline: "Schroeder takes a big gamble with risky budget." This is by one of the reporters who usually is very sympathetic towards the government, and just to quote a little bit from the first paragraph: "Finance Minister Vic Schroeder's fourth

Budget is possibly the most political and the most risky of his career." I would have to agree 100 percent with that statement. I believe that this Budget is very risky and there are a number of issues that I want to deal with on it.

Another headline, "Grant increase taxed away, Norrie says." This is also on March 23rd, Free Press, and to quote briefly from it: "Mayor Bill Norrie has accused the Provincial Government of virtually taking back all the extra grant money it gave the city this year." So the city, obviously, is not happy with what is happening in the Budget.

So what are Manitobans saying about the 1985 Budget? I believe they agree with a lot of the articles that were in last Saturday's Free Press. They are not happy with what they're seeing. — (Interjection)— The Member for The Pas says, "What is the Swan River Times saying?" Well they haven't come out with the paper yet. It should be out today and I'm not sure what they'll have. I'm just getting an article ready for the Star and Times, I might add and it's not too complimentary to the government, but that won't appear in the Star and Times until next week. I don't know just what they will have in this week regarding the Budget, but I don't expect it will be very good news.

Well in the past three-and-one-half years, the NDP Government, I believe, has run the economy of this province into the ground; as I mentioned earlier, really into the ground by some \$1.8 billion. I mentioned about the accumulated deficit, and in addition we have a very low rate of employment growth and it's getting worse, in spite of what the members opposite say about the Jobs Fund and how it is creating all kinds of jobs in this province.

The facts are that the employment rate is growing daily in this province and getting considerably worse and it's projected to be the worst in Canada in 1985. It doesn't look very good for 1986 and this is building in employment figures, taking into account the Limestone generating project. Even with the jobs that will be created from that, Manitoba is going to be ranked about the lowest province in Canada for employment growth in the coming year.

The members opposite go on to no end to tell us how the Jobs Fund is helping Manitobans get jobs. But it has been pointed out that the Jobs Fund really is a "fraud" fund and I think that that describes it very well because . . .

A MEMBER: Except for the Swan River Curling Rink.

MR. D. GOURLAY: Well, I'll get to that. If we want to get to the Swan River Curling Rink, I might as well do that right now. I would be very pleased to say that the community of Swan River was pleased to get \$75,000 to put up the rink and I'm happy with that \$75,000 for the people of Swan River. But you know, how do the people go about getting recognition or getting the funds from the Jobs Fund? We are pleased that the government saw fit to provide \$75,000 to Swan River - and other areas of Manitoba have got funding. I believe the Member for Dauphin got a hundred-and-some thousand dollars for a new rink in Dauphin last year under the Jobs Fund, and Minnedosa got \$50,000.00.

But what I object to is how the whole Jobs Fund is handled. You know a lot of the jobs would have

happened through line departments in this province, but money was drained off all the departments and put into the Jobs Fund so this could be allocated by the Premier and his Cabinet and doled it out to various communities like Swan River. And they used - was it \$1.1 million in advertising the Jobs Fund last year? - so there was \$1.1 million was drawn off for advertising that would have created jobs wherever, whether it was through the Highways Department or Natural Resources or where have you. So perhaps the \$1.1 million did create some jobs in the advertising field, no doubt it did help people in that industry.

But then in the situation with Swan River and I asked the Premier - I think he thought the question was frivolous - about him coming to open the rink and I mentioned that we were delighted and honoured to have the Premier in the constituency. I believe that any MLAs are always happy to have the Premier or any of the Cabinet Ministers come to their area.

But when a Minister or the Premier is invited to participate in an official opening - and again he can correct me if I'm wrong - but it would appear that he sent a letter out from his office to the NDP membership in Swan River, inviting them to come to the official opening of the rink. I don't think it's right that the Premier should use taxpayers' money to invite registered party members to come and participate in the official opening. Sure it's open for everyone to come, but I don't think a special letter should be sent at taxpayers' expense inviting these people. And perhaps the Premier did not send the letter to the membership. I asked him that question and he didn't answer it, so I have to assume that I was right because I did see one letter. An individual said that he had got a letter; he didn't know why he got it, other than that he was a card-carrying member.

There were many people that didn't get invited. I know that members of council were wanting to meet with the Premier but he didn't have time in his schedule to meet with them, but they went to the curling meeting anyway and were able to meet him there, which is fine. But again it just shows you how the Jobs Fund money can be misused by government, or the Premier and his Cabinet. If you don't cater to what they want then they just dole out the money to who they want to receive it, and then if they can have a bit of an NDP rally at the official opening, this is fine. This will help the party.

I would say that this is a good example of how the program is shaping up and how it is being abused and how it is being used by a government, to try and bolster their support at the polls at the next election. But I don't think the people of Manitoba will be fooled because the people of the local community know who operates and who curls and who participates in various functions, and when a lot of different people come out to an official opening, then they wonder what is happening.

Well, the Minister of Municipal Affairs, he got me sidetracked here a little bit. He wanted to hear about the Swan River rink. I mentioned that Manitoba, it's projected they'll have the worst employment growth rate in 1985 and doesn't look very promising for 1986, even building in the jobs created by Limestone. It is not surprising because we do have the employment tax which is certainly regressive. It doesn't encourage people to employ people, that's for sure. We're still

living with that because I heard members opposite say that it was the only way they could get at bankers and insurance people and other people that are not paying their fair share of taxation now. We have the Workers Compensation assessments, many businesses are very concerned with the drastic increase in assessments that they have to pay.

Manitobans are concerned too about our deteriorating credit rating. Manitobans are also concerned about the hydro rate increases that we've experienced. I believe just in the last two years it's gone up something like over 20 percent. We're not sure where we're going in the years ahead, but certainly the rates of hydro are going to go up considerably. We've lost something like 10,000 manufacturing jobs in Manitoba since this NDP Government came in in 1981. We've seen record numbers of companies and businesses closing or moving out of the province.

Unemployment Insurance claims have doubled between 1981 and 1983. I believe it was something in the neighbourhood of 20,000 claims in '81 and it's up to over 40,000 in 1983. — (Interjection) — These are figures from Stats Canada and I've rounded them out - they're more than 20,000, a little in 1981, and it's over 40,000 in 1983. If the Minister of the Environment will want to question, that's fine, but those are accurate figures.

Also, the pay-out has gone up from \$136 million in 1981 to something like over \$310 million. That's on the Unemployment Insurance pay-out.

What about welfare? While using Winnipeg as an example, the welfare cases rose from approximately 2,400 to 7,200 from 1981-84. That's something like a three-fold increase in three years in welfare cases, and that's only in the City of Winnipeg alone. I don't know how many — (Interjection) — welfare cases the increases are in rural Manitoba, but I know they're up drastically too. I know in my constituency office, I'm getting bombarded with welfare calls, people that are in very desperate situations. The Income Security Office in Swan River can vouch for the number of calls that I have made appealing to the workers there to try and help families and individuals who have been seeking welfare and have just — (Interjection) — well, the Minister of Labour — (Interjection) — well, the Member for St. James had the opportunity to speak and I don't remember interfering while he was speaking. I know that he didn't make much reference to the Budget when he was taking, I know that. — (Interjection) —

You know, we've got more people on welfare than we've ever seen the like of before in this province. I remember back when we were in government, the members opposite used to talk about the hostels and the soups kitchens, and what-have-you, and the number of people lined up to get that kind of help. My gosh, if the members opposite were in opposition today, you can just imagine, Mr. Deputy Speaker, the hues and cries about the welfare state and the situation where we would need some kind of soup kitchens. I'm sure they would be out promoting them to no end.

All I can say, Mr. Deputy Speaker, is remember what this government was telling us back in the fall of 1981. They were going to turn around this economy, the harsh economy of the past four years. I would say they sure did. Just turned it around and into the ground by billions of dollars.

The Jobs Fund, I've made reference to it and I don't think that I want to dwell on it any longer, except it's getting to the people, the amounts of dollar being advertised in the Jobs Fund that would be money available to create jobs rather than the way they're being used; just this massive advertising campaign that we're seeing every day.

Mr. Speaker, a number of the speakers opposite have said that we're against the Limestone development, and that we've never asked any questions about Limestone. Well, Mr. Speaker, the main concern that we have on this side is the members opposite have never really proved to us that the advancement date should be advanced by some two years, that maybe it's questionable on a one-year basis.

Certainly Manitobans will remember what happened in the 1970s where in a period of, I believe, less than four years, our hydro rates went up by over 150 percent. That's the question that we're asking and that's the question that Manitobans are asking. They're very nervous about what this government is up to. We're not certain that the start-up is needed at this time. We can't afford to pay the kinds of costs involved if we are advancing this hydro project before it is actually required.

The report from the National Energy Board indicates that I believe it'll be the year 2001 before we get to a break-even period point on project; something like the year 2001 before it will show a profit.

So, what happens to our rates between 1993 and the year 2001? Those rates will have to go up considerably. I believe that all Manitobans want to see Limestone proceed provided it's justified. However, if hydro rates are going to double or triple or whatever, we don't know this. The members opposite say we're against Limestone; we're against the Northern States Power sale. The sale, all I can with respect to that sale is that the only people that are guaranteed a good deal are the Americans. They know that it's only going to cost them 80 percent of what it would cost them to produce their own power, and that's guaranteed for them. But we have no such guarantee for Manitoba taxpayers or Manitoba hydro customers. All we know is that the rates are going to go up considerably. They've already gone up 20 percent in the last couple of years and, certainly, there's massive increases that we can expect in the not too distant future.

Mr. Speaker, I would have to say emphatically that the people of Manitoba have lost confidence in this government. Manitobans don't trust this government and the record is clear. We have seen a record number of bankruptcies; we have seen a record number of business closures; we have seen a record number of lost manufacturing jobs in this province; a record number of unemployed; there's a record number on welfare, record increase in Workmen's Compensation assessments; escalating hydro bills; the payroll tax is still with us; the dairy quota transfers, we've heard something about those recently and we haven't heard it all by a long shot. The dairy farmers in this province are in a very bad state right now because of the situation that has been forced on them where they are not able to sell any portion of their dairy quota, they have to sell the whole caboodle, or stay with their operation.

We've heard a little bit about the laying flock quotas have been reduced from 499 birds to 99 birds. This

is adding a further problem to many of the distressed farmers in our province already.

The mushrooming addition of high-priced political aides, as has been announced in this House recently, and reported in the newspapers; the outrageous government advertising; the devastating public debt that we are facing. We heard, also, that there may be a possibility of the government closing out the Land Titles Offices at Boissevain and Neepawa and transferring these to Brandon. — (Interjection) — If Neepawa wasn't included I withdraw that, but I was of the opinion that Neepawa was to be closed out as well as Boissevain, it's under consideration.

The Member for — (Interjection) —

MR. SPEAKER: Order please. The Honourable Member for Ste. Rose on a point of order?

MR. A. ADAM: I would be happy to provide him with the information so he knows where he's at. He won't be out to lunch if I tell him where he's at.

MR. SPEAKER: Order please. That is not a point of order.

The Honourable Member for Swan River.

MR. D. GOURLAY: I am very pleased that the Member for Ste. Rose is going to be defending the closure of the Neepawa Land Titles Office because I was of the opinion that it's under consideration to be closed out. I am not sure if it was the Attorney-General or the Premier said that it is not going to really curtail services because people are using the mail so why not close up Boissevain and use the mail services to carry out the land title transfers. Is this the kind of commitment that we can expect from this government towards rural Manitoba, because this has a very serious impact on communities like Boissevain and Neepawa to lose this kind of facility in their communities. The Premier has said that it's still under review, and I would hope that he would take a very close look at keeping these in place because, actually, the land titles offices have been making money, they haven't been a drain on the tax purse.

Mr. Speaker, I strongly support the amendment proposed by my leader on this debate, and the sooner this government gives the people a chance to evaluate the performances of this administration the better it will be for Manitoba.

MR. SPEAKER: The Honourable Minister for the Environment.

H. Lecuyer: Merci M. le président.

C'est mon plaisir à mon tour de prendre la parole dans ce débat sur le budget. M. le président, comme l'ont fait mes collègues, je voudrais de ma part vous offrir mes meilleurs vœux, surtout mes vœux de santé. Je voudrais aussi souhaiter bienvenue et offrir mes félicitations aux nouveaux députés de Fort Garry et moi aussi je lui souhaite longue vie dans l'opposition. Aussi, je souhaite bienvenue à notre nouveau Greffier adjoint de la Chambre. Je lui souhaite aussi beaucoup de succès et beaucoup de ressources innées pour ressusciter aux frustrations qu'elle entendra certainement dans les débats de cette Chambre.

Je profite aussi, Monsieur, de cette occasion pour indiquer publiquement ma joie de voir le député de Le Pas accéder au Cabinet. C'est un homme dévoué et sincère. Il continuera, j'en suis sûr, à bien servir les citoyens du côté de Le Pas. De plus, tous les gens du Nord du Manitoba profiteront de pouvoir continuer à bénéficier des services de ce gouvernement car le député de Le Pas connaît bien le Nord et s'y intéresse depuis longtemps.

Enfin, M. le président, je voudrais du fond du cœur dire à notre collègue député de Kildonan qu'elle nous manque beaucoup. M. le président, je suis convaincu que j'exprime les vœux sincères de mes collègues de cette Assemblée lorsque je lui dis: bon courage dans la douloureuse épreuve qu'elle subit présentement. Je l'admire beaucoup et je la remercie pour le travail énorme qu'elle a déjà accompli pour tous les Manitobains dans ses fonctions comme député et comme ministre. Je souhaite qu'elle puisse retrouver la santé au plus tôt afin de revenir avec nous pour faire avancer plusieurs dossiers lesquels je sais lui tenaient profondément à cœur.

M. le président, je voudrais entrer dans le sujet de mon débat, de mon discours pardon, en adressant quelques paroles de félicitations au ministre des Finances pour l'excellent budget qu'il nous a présenté la semaine dernière - suite à une consultation sérieuse et approfondie avec tous les secteurs de la population manitobaine.

Je suis heureux de constater que mon collègue nous ait présenté un budget fondé sur les deux priorités suivantes: Premièrement, création de nouvelles opportunités d'emploi; deuxièmement, maintien de la croissance économique avec emphase sur les services publics de qualité pour tous les Manitobains.

M. le président, c'est un budget que je qualifie de raisonnable et de responsable, visant le juste milieu. C'est un budget dans lequel nous reconnaissons que le gouvernement peut et doit favoriser la croissance économique. Aussi, M. le président, dans ce budget notre gouvernement réitère sa croyance au parallélisme dans le développement social et économique. Il ne peut y avoir l'un sans l'autre. En effet, le maintien des services sociaux est vital à notre politique de relancement économique.

M. le président, les Manitobains de façon générale, même les membres de l'opposition commencent à se rendre compte qu'il fait bon vivre maintenant au Manitoba. Maintenant que le régime, le régime de la . . . , de la terreur qu'ils nous ont fait subir pendant 4 ans est terminé. Maintenant, où nous sommes au deuxième plus bas taux de chômage du pays. Maintenant, où le rendement économique est le meilleur de tout l'ouest canadien, et où les perspectives pour les années à venir sont les meilleures selon les projections des économistes canadiens. M. le président, les Canadiens le savent et les Manitobains qui avaient quittés sous le régime Tory reviennent chez eux. Car enfin, il y a là des opportunités pour eux.

Ce budget continue . . . J'entends un des collègues de l'opposition dire sur le service de bien-être et je dois dire, M. le président, ça il l'on connu effectivement sous le régime Tory ou s'il ne l'on pas connu, c'est qu'ils ont dû quitter la province pour aller chercher ailleurs.

M. le président, ce budget continue à préconiser l'investissement dans notre main-d'oeuvre, main-

d'oeuvre productive. Cela crée un climat favorable à l'expansion et fait du Manitoba un endroit meilleur où vivre.

M. le président, ce budget n'impose ni taxe de vente au détail, ni taxe sur l'impôt et aucune taxe sur les revenus de l'entreprise. Mais afin de maintenir les services essentiels, relancer l'économie et tenir compte des pertes de revenus à partir des paiements de per-équation et des taxes sur l'impôt, il fallait augmenter certains revenus.

Ce budget propose d'augmenter quelque peu la taxe sur l'essence. Et en tant que ministre responsable de l'environnement, je suis heureux qu'on propose une surtaxe sur le prix du carburant avec plomb de sorte à presque éliminer l'écart avec le prix du carburant moins pollueur. J'entends des bruits d'animaux là qui viennent de l'autre côté, M. le président, ça dérange quelque peu, mais je vais tenter d'ignorer cela quand même.

Aussi, la taxe augmente d'un 1/2 [par cigarette. Peut-être sera-ce un facteur qui incitera d'autres à briser avec l'habitude, comme je le fais depuis le 10 mai dernier. Aussi les droits d'utilisation des ressources hydroliques augmentent pour la première fois depuis 1980. Enfin, le crédit d'impôt à l'investissement manufacturier accordé l'année dernière est reconduit en 1986.

Voilà qui fera l'affaire au secteur de l'entreprise. Pour ce qui est des augmentations en taxes, elles ont été maintenues au plus bas niveau de sorte à maintenir l'aspect de compétitivité pour le Manitoba.

Nous croyons qu'il est essentiel de créer des programmes, M. le président, visant la formation et la préparation à l'emploi pour aider les Manitobains, surtout les gens du Nord et surtout, en particulier, les Autochtones, afin de les aider à assumer les emplois qui résulteront avec le démarrage du projet hydro-électrique Limestone.

Reconnaissant le rôle primordial de l'activité agricole dans l'économie manitobaine, le budget, M. le président, le budget fournit des programmes de soutien afin de maintenir viable la ferme familiale et afin de stabiliser et de relever la production et ainsi alléger les pires effets de la crise financière.

En conformité aussi, M. le président, avec les priorités que j'ai énoncées déjà, des sommes importantes s'ajouteront au budget de la Santé, de l'Éducation et des Services communautaires, et plus de 100 millions de sont placés dans le fonds de soutien à l'emploi en vue de nouveaux programmes d'habitation.

M. le président, il est normal que le Manitoba doive recevoir une juste part des contributions fédérales. À ce sujet, les diminutions des paiements de transferts doivent inquiéter tous les Manitobains. À cela s'ajoute, M. le président, le fait qu'il existe toujours des inéquités flagrantes dans notre système d'impôt sur les revenus parce qu'une réforme fiscale bénéfique attend toujours la volonté du gouvernement fédéral.

M. le président, je voudrais concentrer mes remarques surtout sur un domaine que plusieurs membres de l'opposition ont touché, soit lors de leurs remarques sur le discours du trône ou sur leurs remarques dans le débat sur le discours du budget. Et il s'agit bien entendu, M. le président, de la Commission des accidents du travail, dont je suis responsable. Et je voudrais montrer comment les

membres de l'opposition se trompent. En particulier, je commence dès maintenant en soulignant les erreurs que vient de prononcer le membre de Swan River lorsqu'il a dit 2 erreurs fondamentales. Il a dit, entre autres, que le nombre des accidents a doublé depuis 1981 et il a dit aussi que les taux d'assessment ont doublés. Et je voudrais vous citer des chiffres qui sont et, si le membre, le député de Swan River s'était donné la peine il n'avait qu'à regarder M. le président, le rapport annuel, n'importe quel, qui cite les chiffres à partir de 1974. Et je vous en cite quelques uns: 1974, 45,874 accidents; et c'est le même chiffre, plus ou moins quelques centaines, qui continue à travers toutes les années. Et lorsqu'il disait que le nombre des accidents en 1984 était double de celui de 1981, je vous cite les chiffres actuels: 1981, 48,904; en faite, M. le président, c'est le chiffre le plus élevé de toute l'histoire des rapports annuels de la Commission des accidents au travail; 1984, je n'ai pas les chiffres finals mais le dernier que j'ai, c'est 1983 avec 44,133 accidents, donc à peu près, presque 4,700 accidents de moins qu'en 1981.

Mr. Speaker, I will continue my remarks in English, and I will start by making reference to the Leader of the Opposition's remarks when he spoke on Monday, March 11, 1985, on Page 32 of Hansard, he says: "— in addition to the payroll tax, in addition to the Workers Compensation rates, and the anti-business attitude of this government — is that labour legislation in that particular clause. Therefore, he refers to the compensation system in Manitoba, the compensation rates, as being part of an anti-business system.

And, further he says: "They have also brought in increases of over 50 percent;" not over, Mr. Speaker, not over, 47, not over. In the Workers Compensation fees . . . — (Interjection) — Not 47, 49, I want to correct that, but not over. This is misleading because it says over 50, and one-sided business legislation; that's how they do the compensation system. Purely as anti-business, purely as cost, and having nothing to do with fairness to the injured workers. — (Interjection) — That's all your concern.

Mr. Speaker, I would like to make additional comments in regard to some of the other members remarks, specifically, the Member for St. Norbert and the Member for Niakwa. I am going to reflect back, Mr. Speaker, to December 1979 when the previous Conservative Government commissioned the Lampe Report, and did so because of a great deal of public criticism, and innumerable problems of the Workers Compensation Board. The Lampe Committee conducted a thorough review of claims and rehabilitation procedures, completing their work in the summer of 1981, the summer of 1981, Mr. Speaker. While they were in government, after one-and-a-half years of public hearings, discussions with the Board of Commissioners, and a study of The Workers Compensation Act, this comprehensive report released in July of 1981 contained 129 detailed recommendations for improving the workers compensation system.

Upon taking office in November 1981, Mr. Speaker, our government learned that, of the 129 recommendations contained in the Lampe Report, to our disgust, disbelief and dismay only two, I repeat only two, of the 129 recommendations had been implemented. Furthermore, the two recommendation were only window-dressing measures, such as, by one

word processor and adding one telephone line, those were the two that had been implemented.

Mr. Speaker, the previous Conservative Government, after receiving the Lampe Report in July 1981, after being acutely aware of all of the problems in the compensation system, after being fully cognizant of the measures which would be needed to remedy these inequities, actually all they did was bury their corporate heads in the sand just like a bunch of ostriches.

Mr. Speaker, the Tory Government would have much preferred to let the unfairness, the inconsistencies and equities continue, rather than spend the necessary funds to remedy this atrocious situation. Their ideology and philosophy again became clearly evident — corporate gain at the expense of people's pain. Yes, Mr. Speaker, those same members opposite who now repeatedly chastise this government for improving the compensation system were unwilling to move, to move it from the 19th Century to the 20th Century.

Furthermore, Mr. Speaker, ordinary working people in Manitoba should be fully aware that these members opposite have publicly committed to changing the system back to what it was if they are re-elected to power again. God forbid!

A MEMBER: Shame; they said that?

HON. G. LECUYER: Yes, they have committed themselves in their remarks that they would return the system to its senses as it existed before when they were in government. That, in essence, is part of their total ideological approach, not only to compensation, but to really any issue. It consists of the following principles — the rich over the middle class and the poor; big corporate business over small business; the elite over the ordinary; the exception over the average and the greedy over the needy.

In stark contrast, Mr. Speaker, this government considers that the needs of ordinary working Manitobans are foremost among our concerns. That's what they call, "spreading the poisons." If you talk about providing the benefits to ordinary Manitobans, to workers, they say that's spreading poison, Mr. Speaker. They call that communism; that is their attitude.

So when we say that all they favour is greed over need; that all they favour is the corporate business sector over the small business sector, we are right. That is exactly what they are doing and they admit it.

I am very pleased to inform the House that since this government took office in 1981, of the 129 recommendations contained in the Lampe Report, 71 of these have been fully implemented; 18 have been partially implemented; 3 are under current review; 2 have been rejected and the remaining 33 can only be implemented with legislative change and those, of course, hopefully will be addressed during the upcoming review of The Workers Compensation Act.

I'm equally pleased to report to the House that of all the government's 10 recommendations and response to the Cooper Report, all of the 10 recommendations in the Cooper Report were implemented. As well, 22 of the 30 detailed recommendations contained in the CERECO Report on dealing with administrative and budgeting policies released in July, 1982, have been fully implemented.

Furthermore, Mr. Speaker, when they say the system is out of control, there's no accounting, when the CERECO Report was submitted in 1982 that is exactly what they found, that in the four years previously, in fact, the board operated without even preparing a budget for its internal operation, without a budget, Mr. Speaker. Then they talk about a system which is operating out of control.

Furthermore, the report of the Section 100 Rehabilitation Committee released in October, 1983, has been addressed. This report contained 19 comprehensive recommendations, of which 11 have been fully implemented; 3 have been partially implemented; 2 are under current review and the remaining 3 require legislative change and again, as I stated before, they will be considered in the review of the act.

What I'm saying is, of the four commissioned reports, including the ones commissioned by themselves, we've acted upon them, not sat upon them like they did.

Mr. Speaker, if I had more time I would gladly inform the House of the many other improvements in the workers compensation system which have taken place — (Interjection) —

A MEMBER: Take the time.

HON. G. LECUYER: . . . I will take some more time - since the government took office and I have the material with me; but in the interests of brevity I will limit my remarks to some of the major issues.

I recognize of course that the system is still not perfect and it will always remain an imperfect system, but we intend to bring to it all the improvements we possibly can. At least, Mr. Speaker, we have removed a great many of the injustices which were there when they were in government; and I can say, with absolute confidence, yes, that it functions a great deal more efficiently than it did in the years that they were there.

Mr. Speaker, I hear the Member for Pembina saying, what's your operation costs? Again I state, it's based strictly on operation costs. In other words, if they were in government, they would simply cut out the system, I would believe, because then there would be no cost. Some of these improvements have cost implications indeed. To move forward from the 19th to the 20th Century it was necessary for the compensation board to increase assessments rates.

In order to provide services to labour and industry, similar to the services provided in other jurisdictions, it has been necessary to increase costs. We on this side of the House believe that business and labour communities are entitled to at least the same benefits and services as those of the business and labour communities throughout the rest of Canada.

However, Mr. Speaker, the members opposite obviously do not agree. They continually berate the government and the board for wanting equal justice for working people in Manitoba. They repeatedly chastise us for the increase in assessment rates which enable us to provide fair and humane treatment to the injured worker in our province. That is indeed ironic, Mr. Speaker, because if the previous Tory Government had had the insight or the political courage to have even moderately increased compensation rates during

their tenure, industry would not now be faced with these large increases, yes, Mr. Speaker, while the price of everything was rising, private insurance was rising, Consumer Price Index and the cost of living, compensation rates, during their regime, reduced.

A MEMBER: It's like Hydro freeze; they think that somebody benefits by that.

HON. G. LECUYER: We are in complete sympathy with our business and industry communities who now face increased compensation rates; but we hope they clearly understand this has largely been as a result of the incompetence of the previous government in not allowing the compensation system to develop and provide services to injured workers, to provide services especially in the area of rehabilitation.

Notwithstanding the increases in rates occurring under our government, Mr. Speaker, Manitoba employers continue to enjoy the lowest average assessment rate in Canada. Mr. Speaker, the lowest average assessment rate in Canada. We have just received this week the information regarding the average assessment rate throughout Canada for 1984 and I will now share this information with the House.

A MEMBER: Put it on the record.

HON. G. LECUYER: Yes, Mr. Speaker, I want to put it on the record. The average rate of assessment for 1984 was, for Manitoba, \$1.08 per \$100 of gross payroll. This compares with \$2.80 in British Columbia; \$1.75 in Alberta; \$1.41 in Saskatchewan; \$2.61 in Ontario; \$2.50 in Quebec; \$1.58 in New Brunswick; \$1.19 in Nova Scotia; \$1.78 in Prince Edward Island; \$2.27 in Newfoundland and \$2.53 in the Yukon.

Therefore, Mr. Speaker, in fact, the average assessment rate throughout Canada, excluding Manitoba for 1984, the average rate for the whole of Canada, excluding Manitoba in 1984, amounts to \$2.04 per \$100 of gross payroll; almost double that of Manitoba. Not like the Member for Swan River said awhile ago that we had doubled the rates since 1981, Mr. Speaker. No, Mr. Speaker, we've increased the rate, but we haven't doubled it. We will still have, Mr. Speaker, the lowest rate in Canada, notwithstanding the 20 percent average rate increase in 1985 bringing Manitoba's average assessment rate to \$1.28 per \$100 of gross payroll. This is still substantially below the 1984 average rates to the rest of the country.

Furthermore, Mr. Speaker, the average assessment rate in 1985 of \$1.28 is only 10 cents higher - listen to this - than it was in 1975, 10 years ago; an average increase of only 1 percent per annum. You can check the figures and I'm putting them on the record, Mr. Speaker.

As well, Mr. Speaker, the Manitoba Board continues to operate with the second lowest ratio of staff per claim throughout Canada. Mr. Speaker, rising compensation costs are not unique to Manitoba. The phenomenon has been evident for some time now across Canada and the United States. In fact, Mr. Speaker, this is evident throughout developed countries. The total unfunded liability of all boards in Canada is now in the area of between \$5 and 6 billion of which

Manitoba shares approximately \$4 million. We are, in fact, fortunate in Manitoba that this trend has only recently affected us and not nearly as severely as some of the other provinces.

Apart from the costs associated with the implementation of recommendations contained in the four government reports mentioned earlier, Mr. Speaker, other factors leading to increased costs of compensation include 1) an insufficient increase in rates over the past number of years; 2) increased wages leading to the higher rates of compensation; 3) the inconsistent application of the act in previous years giving rise to artificially low compensation rates; 4) the increased costs of medical and chiropractic services largely due to the use of more in-depth diagnostic techniques; and 5) the reluctance of business and industry - I repeat, the reluctance of business and industry - to employ and re-employ injured workers.

Mr. Speaker, there is nothing we can do about the first four issues, but certainly, the hiring and rehiring of injured workers is something we can and should address. I do believe, Mr. Speaker, that from that standpoint, industry has a moral obligation.

Generally, in cases of severe injury, expensive costs are incurred when an injured worker undergoes rehabilitation into a suitable vocational field. Even at that though, vocational rehabilitation is a cost-effective control measure.

The 1983 report in British Columbia showed that a minimum of \$25 million was saved in that year due to strong rehabilitation programs. I know that has all gone by the wayside in the last year or two of Bennett cutbacks, but not because they did not at least experiment with the results they could have obtained.

Frequently, however, Mr. Speaker, months or even years of educational upgrading are required before a disabled worker is in a position to undertake alternate, suitable employment. These costs are charged directly to the employer which can amount to many thousands of dollars. I believe, Mr. Speaker, that these extensive rehabilitation costs can be reduced substantially if business and industry undertake a concerted effort to employ and re-employ injured workers. Not only would this go a long way in reducing compensation costs, but of equal importance, financial assistance is offered by the board to employers to assist with on-the-job training of injured workers.

Another dramatic way in which compensation costs can be reduced, Mr. Speaker, and by far the most effective, is the prevention of accidents. Preventing an accident not only prevents an often severe and crippling injury to a worker, but is also extremely cost-effective. Apart from the direct compensation costs associated with an injury, other associated expenses, such as down time, damage to equipment, retraining and replacement of injured workers, and the like, multiply those direct costs by five to six times of their original magnitude and they also represent loss in productivity.

Mr. Speaker, this government has tried to introduce the philosophy of safety awareness on a large scale to both industry and labour. Workplace, Safety and Health has been very active in promoting health and safety programs. The number of safety and health committees operating within industrial and service sectors workplaces in the province has been expanded to exceed presently 1,100 functioning committees from the 400 that existed just a little over a year ago.

The publishing of the newsletter Worksafe now occurs on a regular basis. We see this instrument as a major contributor in broadly communicating awareness in the workplace.

I have with me, Mr. Speaker, a list of other improvements. As I said, I cannot go into all of the details, but I hope I will be given that opportunity during Estimates process.

Mr. Speaker, I would now like to comment on the statement made in the House by the Member for Niakwa on March 14, 1984. The member asked what had happened to the reserve fund of \$88,955,892 shown in the Workers' Compensation Board Annual Report in 1980 as pension funds. The member then indicated that the auditor pointed out that the reserve would be eroded to an \$11 million deficit this year, and then suggested the board had expended \$100 million from the pension fund. I can assure the member opposite, Mr. Speaker, that is not the case.

In fact, Mr. Speaker, the \$88,955,892 the member was referring to was the pension balance as of December 31, 1980. The comparative balance, Mr. Speaker, for 1984, is \$150 million - an increase of \$61 million, not \$100 million less as the member has suggested.

The Member for Niakwa has also suggested that the Compensation Board consider adopting a merit ratings rebate system. This is a very - in my opinion Mr. Speaker - valid suggestion. Many employers have requested a merit-demerit system be implemented by the Workers Compensation Board. In 1984, an in-House committee was structured to study and evaluate the pros and cons of such a system. The report of the merit rebate special additional assessment programs was completed with a recommendation that an experienced reading system not be implemented in Manitoba as it would have little or no effect on the overall compensation costs, but would add substantially to administrative costs.

So, Mr. Speaker, the board is currently looking at a review of the classification system and it could be, Mr. Speaker, that after that has been done, a merit rebate system might be in order and the board will look at it at that time.

I am pleased that the Member for Niakwa appears to be one of the few members on the opposite side who is more intent on seeking constructive solutions than merely hurling irresponsible insults in regard to the Compensation Board.

Mr. Speaker, the Honourable Member for St. Norbert made some remarks in the House on March 13, 1985, which I believe are worthy of comment. The member suggested that assessment rates were increased almost 60 percent in the past three years. The correct figure, Mr. Speaker, is 49 percent.

The Member for St. Norbert next stated that the government had imposed an increase this year which is some 70 percent short of the amount required by legislation. The correct figure, Mr. Speaker, is 50 percent short, not 70 percent.

Then, Mr. Speaker, the honourable members stated that expenditures should be consistent with revenues. That is absolutely twisting the Auditor's remarks and absolutely twisting the provision in the act. On that basis, what they would do is make sure that the expenditures were down to nothing and therefore they wouldn't have to raise any revenues.

What the act says and what the Auditor says, is that the revenues raised should be sufficient to meet the expenditures projected, and that is a totally different ball game. I assume, Mr. Speaker, the member is referring to the current and unfunded liability position of the Workers' Compensation Board. The unfunded liability is something that any government, any compensation board or any industry sector would fervently hope to avoid. In fact, Mr. Speaker, Section 66(1) of The Compensation Act specifically provides against unfunded liability. The government decided to permit the situation currently to exist only because of our concerns and sensitivity for the financial prospects of our industrial and business communities, and the negative effect a large increase at this time might have on job creation.

Ideally, the compensation system should be fully funded at all times as required by the act. However, Mr. Speaker, it is considered a temporary aberration of unfunded liability and it is more preferable than a 70 percent increase in compensation rates.

Mr. Speaker, I do believe that the members of the opposition would not want us to proceed with the alternative, which would be to demand now, for industry to pay immediately, an additional average rate increase at 50 percent to meet the requirements of the act. If that is what the Honourable Member for St. Norbert is proposing, it is apparent he does not have very much understanding or concern for the business industry sectors.

Mr. Speaker, the section of the act requiring the board to be fully funded at all times will be evaluated during the review the act - which has not been reviewed since 1957, I might say. They had indicated while they were in government, that they would review the act, but changed their minds and did not proceed. We do believe that this is a requirement at this time.

Mr. Speaker, it is — (Interjection) — Can I just finish that one sentence? Mr. Speaker, it is our belief that the system was intended to indeed provide benefits to injured workers and we do intend to operate the system in a fair, equitable and efficient manner.

Thank you.

MR. SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Merci bien, M. le président.

C'est avec grand plaisir que je parle cet après-midi à mes amis et les membres de l'Assemblée législative du Manitoba. C'est aussi un grand plaisir que je parle après le membre de Radisson. Il a dit les mots mauvais, M. le président, très mauvais.

(Translation)

Thank you, Mr. Speaker.

It is with great pleasure that I speak this afternoon to my friends and to the members of the Legislative Assembly of Manitoba. It is also a great pleasure to be able to speak after the Member for Radisson. He said some very bad words, Mr. Speaker, very bad.

Mr. Speaker — (Interjection) — what can I say? After following the speech of the Minister of the Environment - and I apologize for not being here for the first part - but what I heard in the last part of his speech demonstrates the kind of anti-business bias and the

lack of understanding of the business community that characterizes members of the New Democratic Party.

Mr. Speaker, to reinforce what I'm saying - that the Minister just sitting down has demonstrated a lack of understanding in the business community and the private sector - I want to quote from one of the speeches of the members opposite, the Member for Ste. Rose. I quote, Mr. Speaker, "Mr. Speaker, and I don't blame the private sector. It's not their role to create jobs. The jobs of a private entrepreneur is to make a profit. That is the role of capital, to make a profit, not to create jobs."

Now, Mr. Speaker, if there ever is a demonstration of the lack of understanding on how jobs are created in this country, in North America, anyplace in the free world, those words by the Member for Ste. Rose, reinforced by the Minister that just sat down, clearly demonstrate that the New Democratic Party knows not a single thing or has no understanding of the private sector and its role in the economic development of this province and this country, and where jobs come from and where employment opportunities come from and where futures lie in this country.

Mr. Speaker, I want to deal with a couple of issues first out of the Budget and I want to deal mainly with the tax increases because there was nothing else in the Budget that really dealt with the kind of problems we're facing in Manitoba.

First of all, as a blank criticism of this Minister of Finance and this government, is that they have once again failed to come to grips with their problem of excessive spending. They have just managed to knit the Budget in at under \$500 million of deficit. I suspect they did that because the Minister of Finance, the Minister of Energy and Mines were in New York with the tin cup rattling and they had marching orders from the lenders in New York to keep that deficit under \$500 million or their credit rating would go down. And that's what they did, they kept it under \$500 million - slightly. But, Mr. Speaker, they failed to recognize what they're doing to the fabric and the future of this province by running the fourth consecutive massive deficit. They have accumulated deficits now that are going to approach \$1.8 billion to \$1.9 billion in four short years, Mr. Speaker.

Now, Mr. Speaker, given another four years, that means that this province will likely, on the spending patterns that this government, this New Democratic Party has put in place, an additional deficit load of well over \$2 billion, probably approach \$3 billion if they were to win another election, another term of government in this province. That, Sir, is an unbelievable state of affairs facing the people of Manitoba.

Now, Mr. Speaker, the Minister of Finance raised three taxes. One of them is the tax on cigarettes which affects some Manitobans, deprives them of a pleasure that they now enjoy. . . Mr. Speaker, the Minister of Labour is chattering from his seat and it seems to me passing strange, that the Minister of Labour didn't take the opportunity to come out to Brandon yesterday to meet with some real people out there from the farm community and from the western part of Manitoba. But then we could kind of understand why the Minister of Labour didn't make it out to Brandon; he was probably prevented from going out there by his caucus because they knew there were going to be lots of flags hanging around in the arena out there.

Now, Mr. Speaker, the government increased another tax, which is a subtle tax. They have increased the water rental rates to Manitoba Hydro which is going to reflect, Sir, on hydro rates to the users of Manitoba. It is a hidden, behind-the-scenes tax that's there. It's another little way that they get at the taxpayers of this province without being forthright and direct and honest about it. They used the back door of Manitoba Hydro, Mr. Speaker.

But the most blatant tax increase, Sir, was the fuel taxes that were increased by this government. The fuel taxes went up for diesel fuel, unleaded gas and for leaded gas. Now they took a special tax and added it on leaded fuel, leaded gasoline in this province. They did it, not under the guise of being money hungry and grabbing every single tax they can get hold of, they tried to pass it off as an environmental measure. They tried to soften the impact on Manitobans who use leaded gas by saying that this tax is an environmental measure. What absolute balderdash, Mr. Speaker.

What they are doing is taking more money from the drivers of vehicles in this province that must burn leaded gas. And who are those people, Mr. Speaker? Just who are these people that are going to be paying nine-tenths of a cent additional tax, per litre? They are the people who can't afford to go out and buy a brand new car that uses unleaded fuel. These are your lower income people in the Province of Manitoba that are driving six- seven- and eight-year-old cars, Sir. This tax on leaded fuel is a direct tax on the lower income people in Manitoba that have to rely on older vehicles to get to work, to visit people who are in personal care homes, hospitals - whatever purpose they use their car for - this is a tax on the lower income driver in this province, because most of the middle and upper income people in this province have already got fuel efficient cars burning unleaded fuel and that tax does not affect them. But these people know; they pick on the very people they tell us they protect each and every day. They picked on the lower income Manitobans that are burning leaded fuel in older cars and that's what they did, Mr. Speaker.

Don't give Manitobans this double talk, this litany of untruths where you say you're doing for environmental reasons. You're simply grabbing tax dollars from lower income Manitobans and you might just as well admit it because they know what you're doing. They know very well what you're doing.

Mr. Speaker, I want to take time to read a quote from the Minister of Finance in his address and it appears on Page 313. "You may also be interested in noting that the Highways Department Budget for 1985-86, the Minister has done an excellent job, exceeds the full revenue from all these fuel taxes by \$29 million. That is, we spent \$29 million more on our highways than all of those taxes combined." He congratulated the Minister of Highways for doing a good job, Sir.

Well, Mr. Speaker, he wasn't quite honest when he said that the taxes raised were \$29 million short of the amount of revenue spent by the Department of Highways, but then we don't expect the Minister of Finance to be very often honest in his presentation of figures. I will demonstrate to you, Sir, exactly what I mean.

The combination of the new fuel taxes for gasoline and diesel fuel under motive tax, total \$172.1 million.

The total departmental budget spending is \$201 million. Hence the Minister of Finance's alleged costs and contribution of \$29 million, theoretically, from someone else than the driving public.

Mr. Speaker, I want to refer to Page 4 of the Revenues of the Province of Manitoba wherein you will find the Highways and Transportation Department are gleaning another \$36.6 million from the driving public, which the Minister of Finance conveniently forgets to add into his calculation; and what is automobile and motor carrier licences and fees of \$26.6 million other than a user fee for the Department of Highway users? What else are drivers' licence fees, for \$5 million, than user fees for the people of Manitoba to pay for the use of highways?

What in fact this government is now doing is they are gleaning \$208.7 million in fuel taxes and user fees and spending \$201 million in the total department, including the Air Division, Sir, which flies airplanes, not build highways.

Mr. Speaker, I'm sure you will see how we, from time to time, chastise the Minister of Finance for not being totally and precisely true with some of the things he says, because he conveniently forgets to add in other charges that are there. What has happened, Sir, in the years that this New Democratic Party has been government of the Province of Manitoba since late 1981, is we have turned the Department of Highways into a revenue bearing department where they make \$7 million more than they spend, providing the services to the driving public.

Mr. Speaker, the Minister of Finance congratulated his Highways Minister for doing a great job. Well, I want to tell you, Sir, that when I was Highways Minister and brought forth our last Budget in 1981-82, our total spending was \$170.6 million in the Department of Highways and our total revenue generation was \$128.7. We were \$53 million short of making the Department of Highways a revenue department and we were there on purpose, Sir, because we believe Highways and Transportation are there for the economic development of this province. They're a tool for economic development, not a revenue making department like this government considers them to be.

In the four Budgets that this government has brought down, they have increased the total spending in the Highways Department by \$30 million, but they have increased the revenue take by \$80 million. If we are down to a stage where you congratulate a Minister for raping the driving public of \$50 million that they did not pay under our term, then you are giving credit to the right Minister and the right member of this government.

Mr. Speaker, I want to leave that item of the Budget with the final coined phrase that's not original but it's true, that the New Democratic Party are the 1985 highway robbers because that's exactly what they have done, Mr. Speaker. They are highway robbers. They are robbing from the driving public and pumping money once again into the "Fraud Fund" and every other government program they can think of; and particularly, Sir, into hiring five new apple polishers for the Premier and driving the advertising budget through all reasonable limits that any Manitoban would consider reasonable.

We have a number of concerns on Manitoba Hydro, and I want to tell you, Sir, and I want to share with you some of the concerns I have.

Hydro is an important source of energy for all Manitoba, but it is more important to rural Manitobans and those Manitobans living in small towns and small communities throughout this province. It is not as important to the people of the City of Winnipeg, and I will tell you why, because people in the City of Winnipeg have an option available to them called natural gas. A lot of the larger communities in Manitoba also have that option, but many farmers and many people living in the small towns do not have natural gas; and if they switch to an alternate source of heating, it is likely to be electricity.

Currently, Sir, there is another push on by Manitoba Hydro to get our citizens to convert to electric heat. I just want to refresh some honourable members opposite, some of the government members, because I moved back to this province in 1973 and I had the option of renovating the house and in changing my heating system over. In 1973, the cost of hydro was one cent per kilowatt hour on your runoff rate and they had a massive advertising program for people to switch over to electric space heating. I bought that, Sir, I bought that advertising by Manitoba Hydro and I put in electric baseboard heating in the house that I renovated, rather than an oil fired furnace or a propane furnace. I switched over to electricity and within three years I couldn't afford it, because under the incompetent administration of the former Schreyer Government and their ill-considered and ill-conceived Hydro development plans, the rates went through the roof and I could not afford to heat my home with electric heat any more, contrary to the advertising they'd given me just three short years before that in 1973.

Mr. Speaker, they're doing the same thing again and they're embarked on a development program that is going to jack the rates of the Manitoba Hydro users through the roof again and who is going to be trapped with a captive market? It's not going to be the City of Winnipeg because they can turn their lights off and they can turn their heat up and use natural gas. It's going to be the farms, the small town dwellers in rural Manitoba and a lot of them are pensioners who have switched over to electric heat, that are going to bear the brunt of increased electric rates throughout this province because of this next ill-conceived hydro development plan that this current NDP administration is foisting on the people of Manitoba.

It's not going to be the people in Winnipeg; it's going to the captive users of electricity in rural Manitoba in my constituency, not in the City of Winnipeg or the City of Brandon.

Sir, I just want to leave honourable members opposite with some shocking bills in Manitoba Hydro that came out in my community this January. A small grocery store switched over to electric heat. The bill for January was over \$700.00. A widower, living in a house by herself, has a Hydro bill for January of \$275 for the month of January. She has never had a bill over \$150 in the entire time she's lived in that house. — (Interjection) — Widow - I'm sorry; I said widower, I mean a widow in the Town of Miami, sorry.

Mr. Speaker, that is just the beginning of what those people are facing because they see their Hydro rates with the freeze gone, and with this ill-considered development scheme, they see the Hydro rates going up yearly and the crunch hitting in 1991 and they're

saying right now, we cannot afford electric heat anymore. What are we going to do? Mr. Speaker, that should be a question that these election-minded planners over here - these people that are advancing the construction of Limestone on an election and in a political schedule rather than an economic schedule - should consider when they are talking to my ratepayers who are captive to the use of electricity to heat their homes and their businesses in rural Manitoba. Will they tell them the truth about where the Hydro rates are going to go, Mr. Speaker? No. They won't tell them the truth, Mr. Speaker, but I assure you, they are going to hear the truth on Hydro rates.

Now, Mr. Speaker, I want to switch for a moment to this sale to NSP that this government has recently signed and now the recent announcement that they have to build Limestone - not that it's an option - but it's the only course to go according to the New Democrats.

Now first of all, Mr. Speaker, this sale to Northern States Power is not a new sale. This sale simply replaces the interruptible sale that has been in place for some six years now and expires in 1993, and they are replacing this interruptible sale with a firm power sale.

Now, Mr. Speaker, let's take some figures out of the National Energy Board Reasons for Decision. Page 14 indicates to us, at the top of the page, second column, that in the fiscal year of 1983, Mr. Speaker, Northern States Power purchased 5,800 gigawatt hours of energy from Manitoba Hydro which represented 19 percent of their total sales. In other words, they bought, in 1983, on an interruptible basis, 5,800 gigawatt hours. Now what has this sale been given authority to sell on a firm power basis to the United States, to Northern States Power? They have been given a licence, Manitoba Hydro has been given a licence to sell 3,405 gigawatt hours of firm energy to Northern States Power. That is some 2,400 gigawatt hours less than what we sold to them in 1983.

Now what are we going to do, Mr. Speaker, to sell this firm power of 3,405 gigawatt hours? Do you know what we're going to do, Sir? We're going to build a 1,200 megawatt dam and we are going to have excess capacity out of that dam for a number of years. And what is also part of this Northern States Power deal that the government has negotiated with Northern States Power is the ability to sell, on an interruptible, additional power sales, additional volumes of power on an interruptible basis. Now isn't, Sir, that one of the greatest business finesses you have ever seen in your life?

You get a New Democratic Party Government, who's desperate for a re-election issue, to sign a firm contract power for 3,400 gigawatt hours, when you have bought in 1983, 5,800 gigawatt hours of power, and you get them to build a 1,200 megawatt dam to supply 500 megawatts, to leave 700 megawatts in capacity and then you make another deal with them to buy that extra capacity from them at a song. Who's going to pay? Who's going to pay for that, Mr. Speaker? The Manitoba ratepayer is going to pay for that, Mr. Speaker, the very people in my constituency that are tied to the hydro-electric rates are going to pay for that.

Now, Sir, they might say well, you know, there may not be the capacity to get the power down there. But, Sir, there is. There's a 500 kV line plus a 230 kV line

flowing to Minnesota. It has carried as much as 5,800 gigawatt hours of energy in 1984. It can carry it again in 1986, 1987, 1994, 1995, and they, Sir, will buy a small amount as firm power, 3,400 gigawatt hours, and they will buy the run-off rate from the surplus capacity that they have duped these people into building at a song, Sir, at a song! The same old giveaway that we got in the Schreyer years, Sir. That's what we're facing again.

Now, Mr. Speaker, there is an interesting thing in here and I want to point this out to honourable members on the opposite side who haven't read this agreement, because they should read this agreement and this National Energy Board decision. It says right here, Sir, on Page 11, that NSP shall sell to Manitoba a maximum of 1,500 gigawatt hours of energy in any 12-month period in the event of adverse water conditions in Manitoba.

Now Manitoba is to pay an amount equal to NSP's cost of providing such energy, plus the greater of the average percentage markup NSP receives from energy sales to the United States Utilities during the previous 12-month period, or 10 percent of NSP's cost of providing surplus energy.

Mr. Speaker, we sell to them at 80 percent of their costs and we buy back from them at, at least 30 percent over that cost, and I'm making one assumption that I'll stand corrected on, if I'm incorrect. I am standing on the assumption that NSP's cost is Sherco III's cost and not system cost, Sir. If I'm wrong and it's system cost, then I will stand corrected. But it will be Sherco III's generating cost, which we are selling power to them at 80 percent of, but we're buying it back at the full cost of Sherco III plus 10 percent minimum, because if that corporation, which has profits of \$180 million last fiscal year they reported, has a margin of 15 percent or 20 percent, we pay it, Sir, if we have to buy power back. And it says, "NSP shall sell," shall sell; so, Mr. Speaker, don't have honourable friends go out with their one-sided story on how good this deal is. There are hooks and crooks in this agreement, Mr. Speaker.

Now with the tabling of this agreement, I want to ask Manitobans - I want to ask them rhetorically - with the tabling of the National Energy Board decision, what was the impression you got, as an average Manitoban, from the tabling of this agreement? You got from this agreement, from the Limestone Cowboys that were touting this thing - the Premier and the Minister of Energy, the Limestone Cowboys - they told us that National Energy Board gave us, *carte blanche*; that the National Energy Board endorsed all of the assumptions and the Minister of Energy said that the NDP were right and everybody else was wrong who intervened. They were right; everybody else was wrong; and that we, when we intervened, were wrong.

Well, Sir, that's kind of an interesting thing. Now we're supposed to take from that that the National Energy Board in allowing a licence to sell 3,405 gigawatt hours of energy, also endorsed the advancement program that Manitoba Hydro had put before the board. That's what we are left to believe if we listen to the Limestone Cowboys.

Well, Mr. Speaker, I want to quote, if I can find the right page, Chapter 7, Disposition. I'll quote the whole section. This is a quote from the National Energy Board, Page 25: "In the circumstances, the board would not

accept any contention that approval of this export licence application is tantamount to approval of the advancement of the in-service dates of Limestone, Wuskwatim and Conawapa stations as being Manitoba Hydro's best course."

It also says, "The board's assessment of the export proposal has not, however, turned up anything to suggest the utility's generation expansion decisions are wrong."

Now, Mr. Speaker, this is an interesting dichotomy, because the Limestone Cowboys are saying that that phrase, that this National Energy Board agreement gives them *carte blanche* to advance. The National Energy Board says, no it does not, and no one should make that statement even though the Limestone Cowboys have been saying that, Sir.

But what, Sir, does the last line mean? "The board's assessment does not have any reason to believe that Hydro's plans aren't the proper way to go." I submit, Sir, that the National Energy Board, in endorsing this sale, endorsed and checked the arithmetic of the Manitoba Hydro position on this sale. They agreed that the arithmetic was correct in the assumption that the only charges that should be made to this sale were the advancement costs of those three power plants, for two years on one of them and for four years on the other two. But, Sir, the National Energy Board did not consider anything other than what Manitoba Hydro presented to them and that has always been our argument, Sir, that Manitoba Hydro's position is politically motivated by this New Democratic Government, desperate for an election issue, and naturally they're not going to put a downside assumption before the National Energy Board, which we intend to do, Sir, because it is there. Mr. Speaker, I reiterate that the National Energy Board has used and analyzed only Manitoba Hydro's figures as presented in the application, only that and nothing more, Sir.

Now, let's just digress for a minute and take a look at the Manitoba Hydro record during those Schreyer years of hydro development. What was Manitoba Hydro's track record of achievement? First of all, I believe the Chairman did not tell the truth, at a Natural Resources Public Committee hearing on the development schedule of Hydro and he resigned because of it, it was proven that he did not tell the truth. Second, Mr. Speaker, what were the cost estimates of Manitoba Hydro for one station such as Jenpeg? Did it come in on Budget as projected when it was proposed by Manitoba Hydro? No, Sir, it did not. Furthermore, Sir, what were the assumptions that Manitoba Hydro's load growth, what were they in the mid-'70s? They were astronomically overestimated, Sir, and caused a whole scheme of development undertaken by Schreyer to cause the rates to go up dramatically. Sir, there was no honest assessment of what the price was going to do in Manitoba to the Manitoba consumer and that is where, Sir, the Schreyer Government failed and failed miserably and generations of Manitobans yet unborn will pay for their mistakes. Because Sir, the hydro rates went up by 150 percent under the Schreyer Government's ill-guided hydro development scheme.

Given those records of Manitoba Hydro development plans from the '70s, we are now asked in this application for export to believe that Manitoba Hydro has their act

together, that they are not being politically manipulated by the Minister of Energy's hirelings that he's placed in Manitoba Hydro. We're asked to believe that Manitoba Hydro is now giving us straight goods on their assumptions in all of the development program. Well, the record of the past says they haven't done too well. I say, Sir, that Manitobans have a great deal of concern when you have a government desperate for an election issue pushing Manitoba Hydro to develop numbers to demonstrate a two-year advancement on the construction of Limestone before it's needed to meet a contractual obligation. Manitobans should be very wary of this one, Sir, and they are.

Let's talk for a minute about the deal on pricing, Sir. There are two factors to the capacity to the pricing of hydro in this agreement to NSP. There is the capacity price, Sir, and there is the energy price. Both capacity and energy cost calculations are based on, not 100 percent of what the NSP can generate it, but 80 percent. NSP is automatically saving 20 percent on their hydro bills with this deal. Okay? Fair enough. Now, the energy price, Sir, is based on the generation costs as would come from a coal-fired generating plant in North Dakota. As a matter of fact, I'm sorry, I apologize. This is the generating costs out of Sherco 3 which is in Minnesota.

The coal they use is lignite coal, Sir. Lignite coal is the lowest-quality coal available in the world. Their coal is no different from lignite coal anywhere. It's the lowest-value coal. The export market, the offshore market to Japan and other industrial nations does not buy lignite coal. They buy bituminous or anthracite coal because of its higher energy value, higher quality, and it's lower polluting. So, Sir, couple that with the fact that this lignite coal is a great distance from tide water, hence transportation costs of a low-energy coal is going to be prohibitive, there is no other market for that coal unless you run it through a coal-fired electric generating plant.

Now, Sir, I submit that makes the lignite coal that we are basing our sale price on 80 percent of production costs at a value which is price inflexible because there is no market other than putting it through a coal-fired plant. The price of lignite coal, hence the generating costs, hence the return we get as Manitoba suppliers of electricity will not rise as fast as oil price, as natural gas price, or nuclear generation price, because they have no other market. Either they use it to generate cheap electricity or they leave it in the ground, Sir. That is hardly an advantageous energy source to tie our high-grade electricity source in Northern Manitoba to, Sir, but this government has seen fit to do it.

Now, Mr. Speaker, the capacity costs - and here's an interesting one - as they apply to the rate charge to Northern States Power, once again involve 80 percent of Sherco 3's capital construction costs factored into 1993 because it comes on line about five years earlier than that.

Mr. Speaker, as well, and I'll refer honourable members to Page 15 of the National Energy Board as well in adjusting the capacity charge as a portion of the return we get for our electricity we're selling to them, we take 80 percent of Sherco 3's capital costs, but, Sir, we have an adjustment factor in there. I want to read to you from the National Energy Board what this adjustment factor is. The adjustment factor is "An

adjustment factor which reflects the fact that the contract term is shorter than the expected life of Sherco 3."

What, Sir, does that mean? Here's what it means. I'll quote again from the report. "According to a witness, the adjustment factor is to compensate Northern States Power for the effect of inflation on the cost of a new thermal plant installed in 2004 instead of 1993." In other words, Sir, the adjustment factor which affects our cost, our selling price of energy to Northern States Power is adjusted to reflect construction costs in the United States, to protect Northern States Power from rampant inflation in the construction of a coal-fired 500 megawatt plant to be located in North Dakota. Manitobans are protecting United States consumers of electricity at Northern States Power from inflation, Sir.

Mr. Speaker, now, my honourable friends, it says here. I just want to just . . . I'll follow up another thing on the adjustment factor at a later date, Sir, because one might ask why is Northern States Power going to buy this electricity from us rather than build their own plant? I want to quote from Page 14 of the report again because this is instrumental. "Northern States Power has stated that the intent of the new purchase from Manitoba Hydro is to permit the deferral of a coal-fired addition which would otherwise be needed in 1993 to meet NSP's projected peak demand plus reserve requirements." They are deferring construction, Sir, to save costs. Why are they doing that and why have we done it? Why are we falling into this trap? Here's Manitoba's own figures, Sir - I wish I had more than five minutes because I'm not going to near finish this debate.

Mr. Speaker, in the application that Manitoba Hydro made to sell this power, they made an assumption that the escalation rate, i.e. inflation, will go up 5 percent in 1985, 6 percent in 1986, and 7 percent thereafter. When you're building something, your decision, as our New Democrats always say, it's cheaper to build it today, is a function of two things: inflation and the cost of borrowed money. In other words, inflation rate and interest rate.

Manitoba Hydro says the inflation rate will be 5-7 percent. They also say the cost of capital, the interest rate, is going to be 12-11 percent. Mr. Speaker, at the worst, we are giving away 7 percent for one year of advanced construction to Northern States Power, to the Americans. The second year we were giving away 6 percent because that's how much the interest rate exceeds the inflation rate and for every year thereafter, Sir, we are giving away 5 percent to the Americans on their construction costs. We are taking the risk and they are getting the benefit. Now, Sir, do you see why they are buying from us at 80 percent of their costs with an adjustment factor that protects them against inflationary costs on their construction program when needed in the United States, when they can get us to build, when money is worth 11 percent, and inflation costs are 5 percent and 6 percent and 7 percent? Sir, Manitoba ratepayers are advancing construction at a time when it is costing money to do so and we are protecting our American friends and the customers in this deal from future inflationary costs of their construction program. They've got the best of two worlds from this government and from the Limestone Cowboys who are telling us that this is a good deal.

Mr. Speaker, I have a number of other areas that I would want to expand upon and will get my chance during Interim debate and during other debates in this House. But I want my honourable friends over there to consider one thing: Manitoba Hydro said that the costs to be charged to Northern States Power should be advancement costs of two years on Limestone, four years on the other two plants and that's all. I defy any logical, thinking human being in this province, even the NDP, to defy my logic, that if you advance the construction by two years and that plant comes on stream two years earlier than needed, it is not the \$140 million that you spend two years earlier that you must charge, that the expenses must come out of. It is the whole plant because the whole plant will be on stream two years earlier than needed, Sir. That is a \$3 billion expenditure.

When it comes on line in Manitoba Hydro's rate schedule, the total interest bill will become an expense of Manitoba Hydro. That, at a minimum, will be \$300 million - and who will pick it up? Will it be Northern States Power, who have guaranteed their buying price at 80 percent of their production costs and their capital costs? No. It will be the Manitoba ratepayer that picks up that \$300-million-plus interest per year, because that \$300 million is based on a calculation of \$3 billion expansion, two years early at 10 percent interest rate, when Manitoba Hydro themselves say it's 11 percent; so that is \$330 million per year by Manitoba Hydro's own calculation that we are going to start paying in 1991 and in 1992. For what purpose? To guarantee our American friends our power at 80 percent of their cost and protect them from the inflationary costs of building their own plant 15 years from now.

Now if that isn't a sweetheart deal that has been given to Northern States Power at the expense of Manitoba ratepayers, I don't know what is and the Limestone Cowboys are going down to defeat because of that incompetent snookering of the Manitoba ratepayers.

MR. SPEAKER: Are you ready for the question? Order please.

MR. D. ORCHARD: Mr. Speaker, do I have leave to continue? There's no one up there.

MR. SPEAKER: Does the honourable member have leave? Leave has not been given.

The Honourable Member for Rupertsland.

MR. E. HARPER: Mr. Speaker, I'm pleased to take part in this debate, our New Democratic Budget to the people of Manitoba.

This government has confidence in its people. We put people first. Every Manitoban, including the Native people want dignity and purpose in life. I know, during the last few years that for Canadians, Manitobans and much more so, for Northern Native people, it has been very difficult. It is very difficult at this time and especially, during the last few years, to maintain present standards of social services.

Also, during a storm it is hard to maintain an economic environment and it is hard to maintain the social services during a blizzard. It's been said, and

the saying goes that, decisions shouldn't be made during a blizzard. I must say, Manitoba has just weathered a very difficult blizzard.

I congratulate the Minister of Finance for his wisdom and his guidance and for his excellent Budget presentation to the people of Manitoba. This government has vision; this government is able to provide leadership and action. That is why we have the second lowest unemployment rate in Canada; that is why our economic performance is the best in Western Canada; that is why many of the Manitobans are coming back to Manitoba because this government provides some hope and they know that this government cares.

This government was able to provide much of the work and job opportunities for Northern communities and reserves. This was done through the Jobs Fund. Many of the people were able to work and able to improve community infrastructure, infrastructures like Band halls, Band offices, renovating houses, etc.

These people were able to work instead of being put on welfare. Welfare is demeaning and undermines one's dignity and self-worth. It is degrading when people are offered welfare only. As you know, most of the Northern communities have high unemployment. Certainly this government has helped, to some extent, to provide jobs through the Jobs Fund. Much more has to be done to alleviate the terrible social conditions that exist in these communities.

I indicated earlier in one of my Throne Speech Debates, that many of the previous governments and the private sector have ignored these communities as far as any development was concerned. Native people don't want handouts. The welfare system is destroying the dignity and purpose of Native people in their life.

When members opposite were in government, one of them said welfare is cheaper than jobs for Northerners. Native people want to participate and contribute meaningfully to society. Native people want to make their own decisions concerning their future.

This government is moving toward more self-control and self-government for Native people. I realize that we are embarking on a Constitutional Conference in a short while again this year to further define the Treaty and Aboriginal rights which include self-government; but that does not mean that governments shouldn't be doing anything. As a matter of fact, this government, with the Department of Northern Affairs, has been able to provide block funding for the Community of Cross Lake, for they were not able to provide their own needs and also able to make their decisions regarding their future.

The Indian people are presently being suppressed by the antiquated legislation, The Indian Act. It suppresses the Indian people from participating actively in the general society and also forces them to be unable to plan for their future. I quote from a submission to the Special Committee by the Mayo Indian Band in the Yukon, and the person that I quote is Leo Tolstoy. "I sit on a man's back choking him and making him carry me and, yet assure myself and others that I am sorry for him and wish to lighten his load by all possible means, except by getting off his back." The chains of human bondage must be broken. Indian people are capable of governing themselves and they have that right.

This government has had meetings with Native organizations; with MKO, Northern Association of

Community Councils; Manitoba Metis Federation. Many of the Ministers of the New Democratic Government have also had meetings with Native people and the communities.

This government has developed a meaningful relationship with the Native people and the communities.

Previous development in the past, especially in the North, including hydro, have excluded Native people from participating. During the travels I made as chairman of the working group on hydro development, along with my colleagues, we visited dozens of communities. We heard from people about the lack of opportunities and jobs and about the neglect and deprivation.

I don't blame Native people for being pessimistic about being involved and taking part in the development. The relationship of Native people between governments since the White man came has been very dismal. I must say this government has done more to

have Native people involved. This was confirmed in our meeting at Thompson in early February when we had meetings concerning Limestone policies. The Native organizations at that time at that meeting formed the Limestone Directors Board which is an organization that they formed themselves. They want to ensure that they do participate and benefit from the project.

Mr. Speaker, maybe I can call it 5:30 and continue later on.

MR. SPEAKER: Order please.

When this matter is next before the House, the honourable member will have 32 minutes remaining.

The time being 5:30, I'm leaving the Chair to return at 8:00 p.m. this evening.

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