

## LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 2 September, 1986.

Time — 8:00 p.m.

### BILL NO. 56 - THE INTERIM APPROPRIATION ACT, 1986 (2)

**MADAM SPEAKER, Hon. M. Phillips:** On the motion before the House, the Honourable Member for Thompson has 33 minutes remaining.

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

When I spoke earlier today, in the short time that I did have, I did outline, Madam Speaker, what I think has become increasingly obvious these past few weeks. That is the fact that the Conservative Party, the Opposition in this Legislature, has a strategy that is quite clear and simple. That strategy is to emphasize one issue, the MTX issue, at the expense of other issues, Madam Speaker.

As I said earlier, I think that there is a reason beyond the dynamics of the MTX issue itself. The reason, Madam Speaker, is if you look at some of the other issues during this Legislature, some of the other clear distinctions that have arisen between the New Democratic Party and the Conservative Party in this Session of the Legislature, I think you can see why they have chosen to ignore those issues or downplay those issues and instead to concentrate on the MTX issue. I mean let's look at just some of the basic differences that we've seen or some of the tactics that the Conservatives have used in this Session of the Legislature.

Look at bills such as The Trade Practices Act. Look at the alliance of convenience between the major oil companies and the Conservatives. We saw it in committee, as I referred to earlier, where the representative of one of the major oil companies could have been speaking word for word from the speech of the Leader of the Opposition.

Look at Bill 4, Madam Speaker, where we see the banks and the Conservatives allied on that issue. We see the banks and the Conservatives both opposing it

**MR. D. BLAKE:** Where do you stand on unions?

**MR. S. ASHTON:** Well, let's talk about unions for the Member for Minnedosa. Let's talk about their criticism of the Premier for talking to the Gainers workers in Alberta.

Let's compare his stand in favour of workers' rights to the stand of the Leader of the Opposition, who, during the strike at PWA, Madam Speaker, walked straight through the picket line, stating that he would rather cross a picket line than pay a little bit more for his ticket.

As one of the many people in Thompson who did not cross the PWA picket line, who chose to go by bus or by car rather than cross that picket line, I would say to the Member for Minnedosa: let's compare the record of his party in terms of unions and working people with the tremendous record of this party.

Let's see, Madam Speaker, where they stand on other issues. Does anyone remember the Budget and their stand on the Budget? Where did they stand, Madam Speaker, on that Budget? What were their criticisms? Well, two that obviously come to mind were the fact that they criticized the Budget for raising the taxes on corporations and the banks. Corporations and the banks sounds like a familiar theme.

Let's look at where they've stood in this Session on the issues of fairness for Manitoba, the issues, Madam Speaker, that have arisen in regard to the Federal Government's treatment of this province. Look at the airport cutbacks. There were cutbacks, Madam Speaker, in airport funding in Thompson, Dauphin, Brandon. There's a Conservative member from Brandon, not in Steinbach, as one of the members here points out, where nearly half-a-million dollars was spent in the riding by the national Minister of Health for a fly-in airport for golfers.

Madam Speaker, while the Federal Government was cutting back funding to airports by \$7 million, by approximately 35 percent, while they were making cutbacks, threatened safety at airports, that resulted in staff layoffs, where were the members opposite? Did they get up in question period and ask what the Minister of Highways and Transportation would be doing about these unfair cutbacks? No, Madam Speaker. It required action from members of this side of the House to fight the Federal Government, action which I might add, Madam Speaker, which was successful, at least initially, because they have rolled back the cuts this year, although they are still talking about cuts next year.

We've heard very little from members opposite on other issues, whether it be transfer payments, whether it be in regard to the amount of federal resources going into this province, we've heard very little else from members opposite except rather poor defences of the federal Tories. In fact, Madam Speaker, it's become increasingly obvious to members on this side - as it certainly is to members of the public - that the members opposite, when push comes to shove, will defend their cousins in Ottawa, their Tory cousins, the Tory Government before they will speak up for Manitoba's interests.

Madam Speaker, the list goes on of the tactics we've seen. We saw just last week members of the opposite who were so vociferous in calling for the resignation of the Minister of Energy and Mines, calling for the investigation, all of a sudden attempting to distance themselves from their previous statements. We saw that, and I must say, Madam Speaker, it was an unholy spectacle, to see members opposite try and get away from the words they previously spoke in the media and in this House. But I think it's typical of the approach they've taken, and probably I would say one of the lows of this Session occurred last week when the Member for Sturgeon Creek got up in this House and used the time-honoured Tory tradition of redbaiting, when he tried to quote from a communist advertisement in the past election and try and tie that in with this government.

I must say, Madam Speaker, when the Tories have nothing else, that's what they get into - redbaiting and McCarthyism - and that's exactly what we've been seeing from them, especially over the last couple of weeks.

So, Madam Speaker, with a record like that in this Session, is it any wonder they want to be a single-issue party, with those six or seven issues, defending the banks, the corporations, the oil companies, their federal colleagues. It's no wonder that they want to concentrate on the MTX issue.

Let's turn the tables, Madam Speaker. Let's look at what this government has done in terms of those issues. Let's look at where this government has stood on Bill 4. We're proud of where we stand, Madam Speaker. We're proud of our concern for financially hard-pressed farmers and, quite frankly, the Tories can have the banks.

Trade practices - we're proud of our stand on that bill as well, Madam Speaker. We're not going to defend the oil companies, as did the Leader of the Opposition. We're going to try and get greater strength in our consumer legislation to deal with some very real problems in pricing that do exist. It's not just in the oil industry but in other industries in Manitoba.

Let's talk about pension benefits, the initiatives we've taken in terms of that in making sure that surplus funds from pension funds cannot be removed by corporations.

Let's look at some of the legislation in terms of victims of crime. That's one that has been very well received in my constituency, notwithstanding the comments of the members opposite.

Earlier today the Member for Charleswood talked about this government's stand in regard to apartheid. I, for one, am very proud of what this government has done, Madam Speaker, in taking a lead in this country in terms of pressing for sanctions and for putting the proceeds of the sale of South African wines towards the struggle against apartheid. I, quite frankly, do not back down from the difficult situation we're in, in dealing with a complex world and many political situations.

Quite frankly, Madam Speaker, I and members on this side of this House are not afraid to take action because of the sometimes rather pathetic comments from members of the Opposition who would, if given the choice, probably do nothing. There may be a few members opposite who would take action against apartheid. Perhaps there are a few, but the majority, Madam Speaker, if they were in the situation, would certainly not have taken the strong stand that we have.

I mentioned earlier the Budget. One thing that was clear in the review of our Budget was the fact that people were saying it was good for the little guy. Quite frankly, that's an epithet that I think is something we're proud of on this side.

As I said before, Madam Speaker, in regard to fighting the Federal Government for fairness, we've stood up whether it be in regard to the airport cutbacks or other cutbacks. We've taken a lead in terms of tax reform, a lead two years ago when we were the only province that was talking about tax reform to the point today where even the federal Conservatives are talking about tax reform. I consider that a major plus for this government.

There are many other issues where we have taken a lead in this country whether it be in terms of federal

cutbacks, as I mentioned; whether it be in terms of free trade; whether it be in terms of federal transfers.

The more I look at it, Madam Speaker, I'm reminded of some comments I made during the Budget Debate early on in this Session when I said that just around the election period I referred to a poll, and I very rarely do this and I must apologize again for doing it, but there was a poll that asked Manitobans which party represented various groups in society, whether it be farmers or seniors or young people.

Overwhelmingly, people said that the NDP spoke for all but two groups in society. Madam Speaker, this is not the New Democratic Party; this is the people of the province. There were two groups, however, which they overwhelmingly gave the Tories the nod, and they said the Tories spoke for these groups. Two groups we missed. What were those two groups? The rich and big business. The rich and big business, Madam Speaker.

Think about it. Think of where they stand on Bill 4. Think of where they stand on The Trade Practices Act. Think of where they stood on the Budget. Think of their record in this Session. I think you'll see what I was saying at the beginning of my comments. There is a reason why members opposite have become a single-issue party and that is because their other issues, Madam Speaker, just merely reinforce that image that they stand for big business and they stand for the rich.

So, Madam Speaker, really nothing more needs to be said. We know where they stand, Madam Speaker, and it's become increasingly obvious when they're forced off their single-issue pedestal, where they stand exactly where they were six months ago, standing for the rich, standing for big business, exactly the point where the people of this province rejected them for the fourth time in five elections. That's where, Madam Speaker, we're going to end up after this Session and then we shall see where the politics of this province lies.

**MADAM SPEAKER:** The Honourable Member for Emerson.

**MR. A. DRIEDGER:** Thank you, Madam Speaker. I sort of enjoy that kind of encouragement.

After listening to the Member for Thompson there, and I've had the occasion to be here - I guess this is the second term now - and listened to him and, Madam Speaker, his speeches have improved, with all due respect. The substance hasn't been that much stronger from the time when we used to call him, "landslide," and I suppose if we look at the report card on the NDP Government, from the time they took office in '81, when the Member for Thompson got elected, and again in '86; he improved his majority. When we consider that this government got re-elected on March 18 of this year and the popular vote was pretty well the same, the Member for Thompson substantially increased his vote and I've been reluctant to call him "landslide" since that time. I respect him for that. He has done his homework.

I suppose there were a few things that happened within the government that helped strengthen his position. As a result of that, the member is there with a more comfortable majority and the slogan of

"landslide" does not apply to that anymore, but certainly, Madam Speaker, that does not apply to the Government of the Day, when we consider that in 1981, and I would think, in my view, that the government that got elected in 1981, got elected by mistake. And I say by my view, but they did, Madam Speaker, because we were in economic hardtimes at the time and the Conservative Government from 1977 to 1981 took some pretty harsh measures at the time, and it was easy for this government to come in and say we'll promise easier times.

Madam Speaker, they did get elected with a majority, and they took office, and I have all kinds of correspondence here and literature that they sent out on the basis that they did get elected because at that time things were tough. They were tough throughout the country, not just Manitoba, and there's always a bit of a backlash when things get tough against the Government of the Day.

This government, Madam Speaker, got elected in 1981, based on that kind of a backlash that happened against the Government of the Day, because the Government of the Day took the necessary steps that helped create the economic recovery to some degree, and then this government took over. This Premier took over, Madam Speaker, in 1981, based on many promises: no more losses of homes, no more losses of farms, no more losses of businesses. That's how they got elected, Madam Speaker, and I have endless correspondence here of the propaganda that they sent out that said that nobody would lose any more after they got elected.

Well, Madam Speaker, we have to proceed with that report card. Actually, when we're debating the Interim Supply here, my feeling would be that we should really, as Opposition, fight the passing of this bill, because I think that would do a favour to the people of Manitoba and to this government.

This government is in financial trouble, Madam Speaker. When we consider from '81 to '86 and, Madam Speaker, the reason they are here today after the election of March 18 is because not what they did - well, I have to give some credit, because they ran a good campaign - but, Madam Speaker, we made a mistake. We, as the Opposition going into the election, made a mistake, because we tried to promote the things that we were going to do that were going to make Manitoba better for the people of Manitoba, but we did not go on the record of this government, and that's what we should have done. We should have taken the '81 promises and the record of this government, Madam Speaker, and that's what we should have run our election on -(Interjection)- somebody says, criticism of leader, not the case at all, Madam Speaker. That was a strategy that maybe has not worked out well but, Madam Speaker, this government is in trouble.

Since March 18, Madam Speaker, what has happened is a disaster. Madam Speaker, I hope you're listening to me, because nobody else seems to be. Madam Speaker, I certainly should be immune to heckling, because I've done my share from time to time. So I won't let that deter me necessarily.

I'm just indicating to you, Madam Speaker, that this government got elected by mistake March 18 of this year. The mistake, Madam Speaker, I think for the people of Manitoba, the best thing that could happen

is if they would call an election now. When you look at the results in terms of popular vote, it was yea close, based on the fact that we did not capitalize on the things we should have. Other than that, Madam Speaker, there would have been a reversal. We'd be sitting on that side, and they'd be sitting on this side.

Not only that, Madam Speaker, but this government failed to fulfill the mandate of the people. That is why they dropped. They did not gain the confidence of the people. They dropped the confidence of the people. Madam Speaker, if we would follow through on the record of this government since March 18 till now which is a very short time - it's not four years, four-and-a-half years, it is just a matter of months. If we would go to the people today, Madam Speaker, they would be decimated.

I challenge the Premier, Madam Speaker. I was at the football game the other day when the Premier was making a presentation to John Bonk from the Winnipeg Blue Bombers at half-time and he was booed out of the stadium. That was based on the feelings of people.

Madam Speaker, very often when a politician appears in public, especially somebody like the leader of the government, the Premier, there could be boos, there could be cheers, but when the Premier got booed at the football game the other day, it was the feeling, and the Premier is hurting because of that and this is just months after the election.

Madam Speaker, as I indicated, I want to go through a little bit of the history of what has happened since '81 and then tie it in with '86 because of a decline in popularity of the Government of the Day.

We have to look at what has changed since the time of '81 to now, '86. The players haven't changed that much, Madam Speaker. They've lost more members than they had before and, as a result, it's a thin margin. We've experienced, and you've been here when we've seen votes take place that were tied, where the chairman of committee had to break a tie. I'll tell you something, the consternation it must have created in the minds of the members opposite must be gut-wrenching. And this is three months or four months after they got elected. I'll tell you something, when the Premier gets booed in a public place, you realize they've lost their popularity, Madam Speaker.

I want to take the opportunity to read, and I won't say who's writing this. I'm sure members opposite must have read this. I want to put this into the record. The heading says, "Pops Pawley has Problems." I think everybody must have read that. The Premier wants to leave now, Madam Speaker, and I understand why. I want to put it on the record whether he leaves or not. Obviously he's read it so he doesn't have to attend.

It says here, "Any government can be rated compared to a family. Does the mortgage get paid on time? Is there enough money in the bank for a rainy day? Do all family members pull their weight? Have father and mother planned for the future? Are they concerned about their neighbours?"

Well, it says, "If Howard Pawley is Pops, there is trouble within the brood. The sordid story this year is one which must be met head on with strong discipline from which the government cannot and must not waiver."

When we talk of strength of this government, there is no strength. There's nothing but a myriad of

problems, confusion, and total problems all the way around.

I want to list the things that this writer - in the paper, and I think every member probably - I won't have to mention the writer, Madam Speaker, because they all know which one it is, probably. They must have read it and it must have turned their guts.

Item 1. It says, "Manitoba Public Insurance Corporation, Autopac. President Carl Laufer fired for alleged conflict of interest, nepotism, and some let's buy some fancy dishes for lunch expense accounts."

The next one says, "Three ex-executives of McKenzie Seeds, your money and my money, convicted of fraud." Well, there was a Member for Brandon East who was involved in that but we're talking in generalities here.

The next item says, "The whole mucky mess involving the Manitoba Telephone System and MTX, with Her Majesty's cowboys now investigating."

Madam Speaker, this afternoon the Member for Pembina made quite a stirring speech in this House and it created some problems with members opposite.

Madam Speaker, this writer is not political. This writer is sort of apolitical and this is what he's writing.

I would like to get into the MTS-MTX thing yet and I might just do that if I have enough time.

Anyway, it continues. "An investigation into charges of conflict of interest with a senior official of the Workers Compensation Board, now on paid leave." Our leader raised that today again, about what's happened there. Total confusion.

I would like to listen to the litany of these things, as the Member for St. Norbert did the other day when he listed a series of them already. I just want to follow through. But this is not in my words, Madam Speaker, this is in the words of the writer here.

"The sad resignation unfairly," it says here, "of Energy Minister Wilson Parasiuk." That whole episode and, Madam Speaker, the Minister has been reinstated in Cabinet. He is sitting in the front bench, but, Madam Speaker, the stigma is there and that will not be removed by putting him in the front bench again. It will not be the same ever again for that Minister because the doubt is there in the people's minds. The doubt is there in those people's minds because the Minister of Finance said it was legalized theft. The Minister of Finance, at that time, said it was legalized theft; now he's sitting as partners with him and he says, "Welcome back, my friend, you're back here again," and he was the one who was ready to burn him, one of the many members opposite who were ready to burn him.

So this indicates, Madam Speaker, that these are very political people out there, like if we have to burn somebody, we'll burn somebody and right now they're ready to burn the Member for St. James because of his involvement with MTS, or lack of involvement with MTS and MTX, because that poor Minister has been hung to dry. I suppose, Madam Speaker, that things finally catch because this is the Minister who has been involved in all kinds of things.

I want to continue, Madam Speaker. Fired University of Brandon President Harold Perkins, and the stupid tried to cover up out-of-court settlement completely screwed up.

**MR. F. JOHNSTON:** Believe me, he screwed up.

**MR. A. DRIEDGER:** Madam Speaker, it was the then Member for Turtle Mountain who raised it in the House. When this government talks of being forthright and honest, we have to look at where do these things all develop from?

The Member for Turtle Mountain at that time - and we have a very capable one again - but at that time the Member for Turtle Mountain raised the issue of McKenzie Seeds. He also raised the issue of the Brandon president, and what we have had, Madam Speaker, is an attempt of government members to try and cover up and we've had to take them . . .

**A MEMBER:** Kicking and screaming.

**MR. A. DRIEDGER:** Kicking and screaming, thank you, I like that. Somehow we've had to draw it out of them. They try and deny and hide. A good example has been the Member for St. James, the Minister responsible for MTS, who, every step of the way - and we thought he was sort of unique in the way we had to draw everything out of him, fighting and denying and stuff like that, and the prime example came the other day from a gentleman that I have a lot of respect for, Madam Speaker, because he's always responded on cue and has been honest, that's the Minister of Finance.

I hate to be critical of him, Madam Speaker, because in the past when I've phoned him and had personal conversations, he's always been accessible, and I am not saying that he wasn't honest. I'm just saying that he was not totally forthright which he has been till now and that's a reflection on the character of individuals when you come forward. Of course, from the Member for St. James, I'm not surprised.

I think that the Minister of Finance will probably reconsider his position and I think he will regain our respect.

**HON. L. EVANS:** . . . slimy speeches.

**MR. A. DRIEDGER:** I certainly will give him the benefit of the doubt because from time to time . . .

**A MEMBER:** What did you say, Len? Slimy?

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

**HON. L. EVANS:** Slimy Tory speeches.

**MR. A. DRIEDGER:** . . . in this arena, Madam Speaker, we make statements and then we reconsider our position. I will certainly give the Minister of Finance the benefit of the doubt.

**MR. J. McCRAE:** A point of order, Madam Speaker.

**MADAM SPEAKER:** The Honourable Member for Brandon West on a point of order.

**MR. J. McCRAE:** Madam Speaker, I have sat here listening to the Honourable Member for Emerson making his speech and whatever it was that he said that upset the Minister of Employment Services and Economic Security, whatever that was I don't know, but I'm sure it didn't deserve the description of "slimy," given to it by the Member for Brandon East.

Madam Speaker, I would ask that you ask the Member for Brandon East to withdraw that ugly word.

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

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

The Honourable Minister of Industry, Trade and Technology.

**HON. V. SCHROEDER:** Madam Speaker, on that point of order, the member refers to a statement by the Minister of Employment Services. I'm sure that the Minister of Employment Services might say something about that, but I point out that this entire speech has been one personal attack after another upon members of this government, as opposed to any kind of a rational discussion of policy or issues, simply innuendo on character, suggestions of dishonesty and that sort of thing. I think that the member ought to be called to order and asked to withdraw those remarks.

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

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

On the point of order, the Honourable Minister of Labour.

**HON. A. MACKLING:** In respect to the point of order, I think that the Honourable Member for Brandon West must have misunderstood the comment, because the comment wasn't that the member was a slimy member, but merely that there was a slimy speech, and I don't think that's objectionable.

**MR. J. McCRAE:** Madam Speaker, on the same point of order.

**MADAM SPEAKER:** Order please.

The Honourable Member for Brandon West on the point of order.

**MR. J. McCRAE:** The Minister of Labour has just confirmed for us that the Member for Brandon East referred to the speech of the Honourable Member for Emerson as a slimy speech. Madam Speaker, I think if you look in Beauchesne, I believe it's Citation 320 and then there's a list of expressions that are not allowed, and I think Your Honour will find the expression, "rotten speech," as being unparliamentary and "slimy" is certainly every bit as rotten as "rotten."

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

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

The Honourable Member for Kildonan.

**MR. M. DOLIN:** On a point of order, Madam Speaker.

I heard no such reference from the Member for Brandon East. The Member for Brandon West claims to have heard such a reference. I would suggest that what the reference was, if such a reference was made, be reviewed in Hansard and Madam Speaker make the decision then at the appropriate time.

**MR. J. McCRAE:** We have found from experience, Madam Speaker, that some references are found in

Hansard, some references are not, but we now have two Honourable Ministers opposite verifying that the expression used by the Member for Brandon East was "slimy speech," and I ask that it be withdrawn immediately.

**MADAM SPEAKER:** Order please.

First of all, I personally did not hear the remark. I think with the number of people who have commented on the particular subject, if the Honourable Member for Brandon East would like to clarify as to exactly what he said . . .

**MR. J. McCRAE:** Your colleagues heard you, Len.

**MADAM SPEAKER:** Order please.

I think there is a significant difference between an adjective that deals with a speech versus an adjective that deals with a person. I would like to hear from the Honourable Minister of Employment Services as to what he said. I think that's reasonable.

The Honourable Minister.

**HON. L. EVANS:** Thank you, Madam Speaker.

Well, many members use various adjectives in this Chamber. I just heard the Member for Brandon West using the word "rotten speech," and I've heard other adjectives used and I think when the Member for Emerson gets up and reflects on the Minister of Mines and Energy as he just did, that that is indeed a slimy type of speech. I did not refer to the member himself; I referred to the remarks that he's made and I really think that he belittles this House when he stands up as he has, going after one another on a personality basis rather than dealing with the major issues, the major policies that are facing the people of Manitoba and the Government of Manitoba.

We deserve something better; the people from Emerson deserve something better and I've heard better speeches from the Honourable Member for Emerson. I've heard him give some pretty darn good speeches over the years, but when he starts talking and vilifying and after . . .

**MADAM SPEAKER:** Order please.

**HON. L. EVANS:** . . . the Minister of Mines and Energy has been exonerated totally and completely by the Freedman Inquiry, for him to get up and make very, very questionable references, and as a matter of fact, Madam Speaker, I would think that in itself could be a question of a point of order or a point of privilege or a matter of privilege. So I say that kind of speech is not the kind of a speech we need here, and I say that is a slimy kind of speech the member gave.

**MR. J. McCRAE:** I scarcely could take it from the remarks of the Member for Brandon East, Madam Speaker, that it was a withdrawal or a retraction.

I refer Your Honour to Page 113 of Beauchesne under the section referring to expressions used in the House, and the expression is "ROTTEN, rotten speech . . . Debates, December 1, 1964." Madam Speaker, the Minister has repeated more than once now, that this was a slimy speech and I ask Your Honour to take

"rotten" and "slimy," compare the two and find that the Honourable Minister is speaking in an unparliamentary fashion and should be required immediately to withdraw it.

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

I also did not take the Minister's comments as a withdrawal, but I had not at that point asked him for a withdrawal; I had asked him for a clarification.

Order please. In our Rule Book, Rule No. 41.(1), that no member shall ". . . use offensive words against the House, or against any member thereof." And that is the general rule that I have consistently followed when members refer to each other, other than as honourable members of this House, and I expect all members to follow that particular rule. The Honourable Minister did not refer to the Member for Emerson.

He referred to his speech. Now, the Honourable Member for Brandon West refers to Beausheue, Page 113 and the words "rotten speech." If he will look back in that list to the bottom of Page 110, he will see that the term "rotten speech" that he refers to, is one of the phrases or words that has been ruled parliamentary, not unparliamentary. On that basis, even though the member has objected to that particular phrase, it is not in the same category as if he had called the Honourable Member for Emerson "rotten" or "slimy."

The Honourable Member for Fort Garry.

**MR. C. BIRT:** Yes, Madam Speaker, on a new point of order.

At approximately 4:20 this afternoon you made a ruling as it related to the Member for Pembina; and it related to a ruling on a point of order arising out of certain comments raised by the Member for Kildonan. The essence of your ruling is that when a member finds certain words objectionable, said by those from the Opposition, then if the member so rises on the point of order, the person who uttered those statements should withdraw and apologize. That is the point of order that I am now raising, Madam Speaker, and ask that you apply this same rule that you applied at 4:20 this afternoon and you apply it to the Member for Brandon East and his comments just made in his clarification remarks.

**MADAM SPEAKER:** The Honourable Member for Kildonan.

**MR. M. DOLIN:** I agree with the somewhat convoluted logic of the Member for Fort Garry. The fact is, it was a different point of order.

My point of order this afternoon, the one that the Speaker ruled on was referring to members of the House. It was referring to myself as an individual and as members on this side of the House. It was not referring to the statements made by members.

I think the Honourable Member for Fort Garry can understand the distinction the Speaker has just made, as referring to the statements of an individual, versus the character of that individual in the House. I think the member has no point of order, Madam Speaker, and it should be ruled as such.

**MR. C. BIRT:** The Member for Kildonan seems to think that there's a difference between a speech and a person

who makes the speech. When you condemn a speech, you condemn a person, and quite frankly, yes, it does affect the person's character because it affects the delivery of the speech; and those words were directed to the maker of the speech; and for the same basic reason, and the words were repeated several times, where a member finds those phrases unacceptable, then an apology is due, and that's what the debate, and that's what the ruling was as it related to my colleague from Pembina, and I would like that same ruling to apply in this case and I would like the Member for Brandon East to withdraw or apologize for his comments to the Member for Brandon West.

**MADAM SPEAKER:** The Honourable Member for Kildonan, on the point of order.

**MR. M. DOLIN:** I find it very difficult to believe the Honourable Member for Fort Garry cannot distinguish between a rotten speech and a rotten human being.

The fact is, I know so many rotten human beings who've given very good speeches in this House.

**MADAM SPEAKER:** The Honourable Minister of Industry, Trade and Technology.

**HON. V. SCHROEDER:** Thank you, Madam Speaker.

While the Member for Kildonan was speaking to you, I distinctly overheard the Member for Pembina addressing remarks to the Chair, saying very specifically, "That was for that side; this is for this." Madam Speaker, I would suggest that that is a highly improper activity on the part of that member and that that remark should be withdrawn immediately.

**MADAM SPEAKER:** As the member well knows, we deal with one point of order at a time. I did not hear the Member for Pembina make that remark. However, on the point of order . . . Order please.

On the point of order raised by the Honourable Member for Fort Garry, I have made it consistently clear that honourable members shall at all times refer to each other as honourable members, regardless of whether they slip and call each other by name, or regardless of whether they call each other by another adjective.

Other adjectives are not acceptable when referring to individuals; and this afternoon at 4:20, the Honourable Member for Pembina referred to members on the other side by a noun that was taken offence to.

In this particular case, the Honourable Minister of Economic Security and Employment Services referred to the content of the member's speech. If the Honourable Member for Emerson takes exception, then I think the honourable member should, with good grace, apologize to the honourable member.

The Honourable Member for Emerson.

**MR. A. DRIEDGER:** Well, Madam Speaker, you know I'm one of the easy going guys in this House. If the Member for Brandon East is going to indicate that my speech is not a slimy speech, I'll continue right away. I take exception to it being called a slimy speech.

If the Minister will say it is not a slimy speech, I'll continue.

**MADAM SPEAKER:** The Honourable Minister for Employment Services.

**HON. L. EVANS:** Madam Speaker, I find this whole debate rather strange because you yourself said at the beginning you didn't hear my remarks and, indeed, I wasn't standing when I made those remarks.

The Member for Brandon West seems to like the term "rotten speech." I happened to choose a particular adjective because I was offended, as a matter of fact, by the comments and the criticisms that the Honourable Member for Emerson had brought forward.

I have never ever - I have made a point, Madam Speaker, in this House of always treating every member as an honourable member and not using adjectives against them as certain members opposite have done indeed this afternoon at 4:20 p.m.

If the member feels offended by my particular adjective of speech, fine, I will withdraw that particular adjective, but I still maintain that I've heard better speeches from the member. I've heard him give much better speeches, and I appeal to him to give a speech not reflecting on the character of certain individuals in this House but deal with policies and programs and issues. That's what he was elected for and that's what we want to hear.

**MR. A. DRIEDGER:** Madam Speaker, I accept the comments of the Member for Brandon East.

I just wonder, maybe in case somebody lost the point - and I hope these 15 minutes that we've spent arguing some legality here is not going to be taken from my time - I indicated, Madam Speaker, I read from an article that said, "The sad resignation unfairly," it says here, "of Energy Minister Wilson Parasiuk." That's what my comments were, Madam Speaker, and I said that in spite of what happened, the stigma is there. That's when the Member for Brandon East decided to call it a slimy speech. I leave it at that, but I'm just quoting from the article.

I want to continue, Madam Speaker, if I might. It indicates another item here. "Fired University of Brandon President Harold Perkins and the stupid try to cover up out-of-court settlement completely screwed up." That is an article in the paper, Madam Speaker. And I go through this list, this litany of, you know, in a few months since March 18, the litany of problems and corruption that has taken place. Again, that is another thing that the then Member for Turtle Mountain dug out, worked hard and raised questions and raised questions.

You know what? It restores my faith in the fact that our democratic system is good because we have Opposition who dig out and trap government in their own ways on the wrongdoings and the mistakes that they make. That is what's happening, Madam Speaker, and that is why this system is a good system.

But when we look at all these things that have happened, it's always been because somebody's worked hard and worked at these things. When we talk of MTS-MTX, the Member for Pembina for three years, more than three years, has been working on these things and raising it. The Member for Turtle Mountain past worked at many of these things and brought them forward.

The government tried to stonewall, tried to cover up, and that is why we don't have the confidence in this government anymore, and that's why the people of Manitoba don't have the confidence in this government anymore.

Madam Speaker, if we had an election today, and we're working for that, we would be government because this government has destroyed the credibility with the people of Manitoba. Whether the election's going to be this fall, whether the election's going to be next spring or whether it's going to be four years from now, your credibility has been destroyed. They gave you four years and we have a litany of problems in four years' time, and because we did not . . .

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

**MADAM SPEAKER:** Order please

**MR. A. DRIEDGER:** Thank you, Madam Speaker.

**MADAM SPEAKER:** The Honourable Member for Emerson has the floor.

**MR. A. DRIEDGER:** Thank you, Madam Speaker.

Madam Speaker, do you feel that I am bringing out this kind of response? I really don't intend to because, Madam Speaker, I . . .

**MADAM SPEAKER:** May I remind the honourable member that members are not to ask the Speaker questions.

**MR. A. DRIEDGER:** Thank you, Madam Speaker.

I'm always cooperative in that respect. I'm just wondering, because I'm just trying to lay out the history of this government from '81 to '86 and from '86 to now, Madam Speaker, and what I'm putting on the record is the record of this government from March 18 on. Actually, we've only been in Session since May 8, I believe, and what has happened since that time? But I'm illustrating some of the things that have happened that have been dug out by the Opposition. You know, it will all culminate and make sense at the end, Madam Speaker, when I finish with this thing.

The next item is the horrendous backlog amongst a host of Crown agencies, all of which are having direct immoral effects on Manitobans. The Land Titles Office is way behind and people are losing money when properties exchange hands. I think the Member for Brandon West is probably going to be involved in that one shortly.

The Manitoba Human Rights Commission is months behind, and I have on record people have been aggrieved but don't believe the wait is worth filing a grievance; the mess at the Workers Compensation Board as witnessed by this summer's public hearings; the backlog at the Office of the Ombudsman, and this writer says, "I'm still waiting on the report of the man who was beaten up in a Manitoba home in Portage, which I made public 18 months ago." The lack of action by government in dealing with the crisis in liability insurance which has affected private and public agencies; the crisis on the farm, etc., etc. It says, "The list goes on and on."

Now, Madam Speaker, the next paragraph says: "Now, when there is trouble in the family," - referring to the opening statements - "you have to go to the top. Thus, fairly or unfairly, Pops Pawley has to shoulder the blame." Madam Speaker, that's what it's all about: lack of leadership.

This writer continues: "I'll unload some of the blame off the shoulders of his new \$90 union-made suit. His Cabinet Ministers are, with three exceptions, among the weakest line-up cast of Manitobans since Ed Schreyer hoisted the chain gang on us all on June 25, 1969." With three exceptions -(Interjection)- maybe, I should cover that again. Maybe somebody missed that, Madam Speaker. "His Cabinet Minister are, with three exceptions, among the weakest line-up cast of Manitobans since Ed Schreyer hoisted the chain gang on us all on June 25, 1969."

Well, Madam Speaker, since I read this article, I've been looking at who could those three be and, obviously, the Premier is not one of them. So which are the three? Madam Speaker, I will leave that to the speculation of members of the House.

**A MEMBER:** Peter Warren's never liked me.

**MR. A. DRIEDGER:** I think he liked you. The Minister of Finance, I think, had the credibility of the House most of the time, and I would defend the Minister of Finance to this day. I think that he made an error and I don't think he'll do it again because I believe him to be an honourable member. In my estimation, Madam Speaker, when I'm looking at three opposite, he's one of them. Madam Speaker, I'm not looking for his vote.

Madam Speaker, this article continues: "When the guy at the top doesn't exhibit the strength any province needs, then people try to manipulate." That's exactly what's happened. "Witness the utter confusion about the Welcome Home Program in dealing with the retarded people," - and that goes to the Deputy Premier - "the beds in the corridor situation at most hospitals, the lack of policy in dealing with mental patients, the ridiculous bickering between the province and the City of Winnipeg," - and that affects the Minister of Urban Affairs.

It says here: "Hey, we are not talking peanuts here. We are speaking of a government that controls almost every waking minute of your day and your pay packet."

Madam Speaker, and this is the crowning glory, if I might. This indicates this helter-skelter approach to government is not working. Buy a job for six weeks doesn't help; train an Indian at Limestone while skilled carpenters are idle in Winnipeg doesn't make sense; sanctimonious, hypocritical stance of banning South American booze while allowing, even encouraging, Soviet vodka sales is taking political ideology to ridiculous dimensions . . .

**MADAM SPEAKER:** Order please.

The Honourable Minister of Education on a point of order.

**HON. J. STORIE:** Madam Speaker, I'm not sure that reading Peter Warren's column in lieu of a speech is acceptable by our rules.

**MADAM SPEAKER:** I think all honourable members realize that members should not read their speeches,

which is different from quoting. Order please, order please. If honourable members would let me finish a sentence, I'm sure they would be quite happy with the results. As I was saying, I think all honourable members know that they should not read speeches, which is quite different from quoting from an article, whether it be liberally or conservatively.

The Honourable Member for Emerson.

**MR. A. DRIEDGER:** Thank you, Madam Speaker. In the case there was offence taken, I want to indicate to you - and I appreciate the fact that the Minister of Education read Peter Warren's column, but Madam Speaker, I've finished with that aspect of it. If it bothers the members, I've completed remarks or the quoting from the press.

What I did, Madam Speaker, was try to illustrate the litany of problems and corruption in this government since they took office March 18. Part of the problems were already developing prior to that. Madam Speaker, that is the tragedy of it.

I find it interesting that the moment I started with this dialogue or this item in the paper - I didn't mention the name of the writer - but the moment I started that, the Premier saw fit, because he had an engagement, I presume, - (Interjection) - okay, Madam Speaker, I heed your warning look.

But obviously members opposite have read this article as well and it must have hurt them because I think the majority of people, many people in Manitoba listen to the Peter Warren Show. I personally, Madam Speaker, do not listen to it because everybody has their own preference. But I would say a large portion of people in Manitoba listen to The Peter Warren Show and these are his comments, Madam Speaker, and he's listing the litany of problems with this government.

That is what we're talking about and that is why in my opening remarks I indicated that we would do this government a favour by not passing Interim Supply; maybe we should go to the people. Maybe we should go to the people with the problems that they've had; the many problems cast upon them; their credibility is in question; and I think that if the people in Manitoba had a choice right now, there would not be too many members left on that side. There would not be too many members left on that side, Madam Speaker, and I have to be careful so I don't reflect, but there would be many changes taking place at that stage of the game.

Madam Speaker, there is a major dilemma that we are facing. March 18 was the election and here we are. This government is as defensive right now; they're acting without any - how should I say - conviction. We're going into an election year because they don't want to do anything that's bad and trying to cover everything up. Why would a government not ask for a public inquiry into MTS? Why not?

Madam Speaker, they're in their first year, their first months of the new mandate, supposedly, such as it is that they have, why would this government not take positive action? They are a gutless bunch of people and Peter Warren isn't wrong when he says with the exception of three Ministers, there's nothing there. There's nothing there! And that is what people of Manitoba are realizing right now.



And the man that is yelling from his seat there, Madam Speaker, as he often does, and that's fine; I'll accept that, but that member, his credibility has been questioned for the last month and his credibility is gone. It's gone! The Member for St. James is finished as far as I'm concerned. This member has not been forthright in this House, Madam Speaker. Four times he had to retract and apologize to this House in terms of statements that he's made. But that just goes to show exactly what's happening there.

And this is, Madam Speaker, a government that has been in power; we've been in Session for three months and they're on the defensive; they're crawling; they don't know which way to turn. What have we got left? And this is the government that has already in the first quarter, the first three months, exceeded the deficit by \$27 million or whatever it is. The Minister of Finance can indicate that. This is a government that's got us into debt of \$500 million deficit every year; that has dropped our deficit, Madam Speaker, every year. We've barely got into a new Session and already their credit has dropped again. These are the people that are asking to pass Interim Supply, Madam Speaker, their credibility is gone.

When I look - and I have endless stuff here - Report'85; I have issues here prior to the election, Building Our Future Together; this is the members opposite, this is Premier Pawley's signature, this is the Leader of the NDP. I have all kinds of political propaganda that has been forwarded by the NDP; scads of it; -(Interjection)- oh yes; lots of it; because I can't cover half of it. But Madam Speaker, it says "An NDP government would take action to get Manitoba's troubled economy moving again. Tough economic action in the areas of energy, resources, housing and agriculture would restore vitality to the provincial economy." -(Interjection)- Madam Speaker, I'm not upset with this. I'm certainly not upset with this; I have time. I just hope that all these arguments that took place are not charged against my time.

**MADAM SPEAKER:** The Honourable Member for Emerson has the floor. If other members want to participate in debate, they have the opportunity.

The Honourable Member for Emerson has seven minutes remaining.

**MR. A. DRIEDGER:** Thank you, Madam Speaker.

I appreciate the concern that I should be able to have a bit more decorum in the House and I know that the Member for St. James and myself have had a sort of a growing feud for many years already -(Interjection)- it's not a love-in; I can guarantee that, Madam Speaker, it's not a love-in. From the time that member was the Minister of Natural Resources - and the new Minister from Swan River who has inherited the problems that have been developed basically by this member, has sort of developed not a love-in affair.

Madam Speaker, what I'm trying to illustrate - when we look at what has happened in terms of the development in Manitoba - and I've only been involved, Madam Speaker, since 1977, and I served as a backbencher for four years at that time and what has developed or not developed - I have major concerns in the lack and movement in terms of positive things

happening in this province since 1981. I suppose to some degree, as I've indicated before, during those four years, from '77 to '81, that was when the economic crisis was there. The Minister himself, the present Premier, indicated that we had come through some tough times. The members opposite capitalized on that in terms of getting elected in '81. But they have built themselves a dilemma, Madam Speaker, and squeaked in, in '86, and this is coming back where it's going to haunt them.

Three months into a Session, Madam Speaker, and they're already devastated. They are fighting amongst themselves; they don't know where to turn; they have a litany of problems and corruption on their hands. Wherever you look, there are major problems. We can go into this at length in terms of what has happened, but, Madam Speaker, the people of Manitoba have now passed judgment on this government. They gave them a rare second chance with the popular vote being just about equal and the numbers game was such, Madam Speaker, in terms of where their seats were located that they managed to form the majority. Madam Speaker, they've had themselves really backed into a corner a few times already.

Madam Speaker, can you foresee this group, this inept and inadequate group, running this province for another four years? They decimated it for the first four-and-a-half years. Madam Speaker, Manitobans cannot afford another NDP Government for another four years. It has been hard work on members on this side, members, like the Member for Pembina, and many other members who have worked hard to uncover the corruption and problems, and Madam Speaker, it all relates to leadership.

As it says in this article here: Pawley has problems. It's all related to leadership and when you don't have leadership everybody figures they can play the games. That's why it started, Madam Speaker, with the Member for Transcona. Rightfully or wrongfully, insinuations were made and when that happens, the system starts falling apart. When you have a Premier that gets up continually in this House and tries to cover up as the Member for St. James or the Minister responsible for MTS does, that's where you have the breakdown. There is no solid fortitude or guts to be government. You're acting right now as a government like you did for the last three years, covering tracks, instead of showing leadership and the people of Manitoba have lost confidence in this government.

Madam Speaker, this RCMP, the Member for St. James has got nothing else on his mind, but RCMP - I have to be careful so I don't make some insinuations that I'll be sorry for - but if his mentality does not go further than RCMP in this case, if he feels he does not have any personal responsibility as being Minister in charge, that's where the problem started from and that is why we're still going on with this Session, otherwise we'd be finished already. It's because the Member for St. James has not accepted his responsibility. He hasn't got the guts to handle his department and he's been snowed four times by his people and he still goes back for more.

Madam Speaker, I want to repeat again because a one-time member for Inkster said: if you repeat it often enough, people will start listening. What you have here is a government with no leadership and it reflects on

the Premier who hasn't got the guts to take and call the shots the way he should and that is most unfortunate. The Manitobans are the ones who are going to be paying the shots for this for as long as it takes until you finally break down, because the system is broken down now. The financial system has broken down now.

When we talk about the finances end of it, when we talk of a government that has run a \$500 million deficit and they are now asking their departments to cut back another 2 to 10 percent - cutting back to try and save their butt somewhere along the line - this, at a time when the economy is supposed to be improving, that is tragedy; that is tragedy and each one of you are accountable. And I'll tell you something, what you have done in the first three, four months of government is going to come to haunt you. You are branded. As far as I'm concerned the sooner the people of Manitoba have a chance to vote again the sooner they'll be on the way to recovery.

Thank you very much.

**MADAM SPEAKER:** The Honourable Member for Riel.

**MR. G. DUCHARME:** Thank you, Madam Speaker.

Bill 56 brings fond memories as originally discussed by the Member for Charleswood earlier this afternoon. I was in the same position as that member, a young family at the time, approximately, well, now it's almost two decades ago, I first talked to this House in a committee meeting. Certain things have gone by over those years and now I'm fortunate to have probably a second generation coming into the family business and they, I hope, do not meet with the same type of issues. I weathered the storm, made amendments, or made changes in my lifestyle. Some of my friends in the insurance industry didn't.

(Mr. Deputy Speaker, C. Santos, in the Chair.)

Mr. Deputy Speaker, last week we were faced with certain members getting up and grieving from the other side. They criticized the Opposition for probably not being a little more gracious and accepting the fact of that particular member's comments or cases and resignation.

However, Mr. Deputy Speaker, certain members got up that made the credibility, especially the first member who got up, a member who originally called the Minister a thief, or he called it a legalized theft. - (Interjection) - well, wait a minute. I think that this particular member, if it would have been led by some other member of the House, but this particular member did mention legalized theft and let's not forget that. Then when we're asked to forgive and forget, the same evening I'm sitting in this House after they had grieved all day, the same evening or the next day the Member for Sturgeon Creek is up speaking and across the room they start to yell and shout, Downey's land, Downey's land, and they ask us at this side of the House to forgive.

Mr. Deputy Speaker, I'm not agreeing with all the comments by the press. We all know, who have been in public life, that the press can be very difficult. I'm not saying that the press was completely fair in their comments. What I'm saying is that the sad resignation of the Member for Transcona - let's not forget, however,

he did enter into a business transaction while a Cabinet Minister.

Then we have members knocking and getting confused with blind trust, through their ignorance of not understanding maybe what blind trust is and what the intention of blind trust is. Blind trusts were originally intended for members to be elected, to become Cabinet Ministers so that their partners or members of their family can carry on business, not come into new business ventures while they are a Minister. Anyone who takes that oath should accept that fact that they cannot go in to other business ventures.

Mr. Deputy Speaker, we also, in lieu of the fact, - and also that the member did invest in a tax scam, he did invest in a tax scam while he was a Minister and while his own government was criticizing across the land of all the monies they would be taking from the Manitoba taxpayers - that was made quite open to public meetings, etc. I know the same type of comments were made to city councillors when they met with official delegations, that anybody who invests in a tax scam is not a true Manitoba. He still was investing in this tax scam like another member, like another member for Radisson, who forgot that he borrowed \$20,000 to go into the same tax scam.

Mr. Deputy Speaker, we have a comment by the Member for Thompson in regard to banks. He mentions that they are our best friends. Well, I say to them, that they're their best customers; that's their best customers. They love people like that type of government. Those are the type of people who will borrow continually and never pay off any monies. They love - they'll probably come to us and say, we don't need you for friends; those are our best customers. Those are the people who keep the banks in business. I don't know how they fail to recognize that those are the type of people who keep them in business.

Or could there be another reason why they don't like the banks? Could there be another reason why they don't like the banks? Could it be that the financial services sector employs more than 365,000 people, the largest remaining unorganized sector in the work force? Could that be the reason? What would their attitude be if they get a foothold into that type of labour? I think their attitude would maybe be a little different. Who's to say?

We have been accused also on this side of the House - and a lot of us do a lot of listening - maybe the other members don't realize that there are a few of us who are still learning and listening, going through the procedure and trying to be constructive. It's just as hard for them to be constructive on that side, when they're in with their groups, and we're on this side, that we are going to get carried away; we are going to be an expression of voice of the individuals on this side. They accuse us of being a one-issue party.

I believe that if this particular government over here for the last four to five years had watched its own house and quit the constant fed-bashing, maybe their problems wouldn't be so immense.

A lot of these particular problems were referred to in the column by the Member for Emerson. I won't read them but I will comment on some of them. First of all, what do they call the Manitoba Public Insurance Corporation, Autopac dismissal of Mr. Carl Laufer on a conflict of interest, on nepotism, and let's buy some

fancy dishes? But this just didn't occur overnight. Mr. Laufer just didn't make one particular charge or one particular overcharge on his expense sheet. It had to be going on for awhile.

Then there are the three ex-executives of McKenzie Seeds. Your money and my money, as mentioned in here, convicted of fraud.

And the whole mess of MTX, which we know will keep going on during the hearings, and handled very well by the Member for Pembina.

Then the investigation and charges of conflict of interest with a senior official of the Workers Compensation Board, now out on paid leave.

Mr. Deputy Speaker, also the Member for Brandon West did his job where he's supposed to. He brought up the Harold Perkins dismissal. He brought up how it was handled. He brought up how he had to ask the Minister of Education. He had to come and prod him during question period after question period to get answers out of him.

**A MEMBER:** He wouldn't come clean at all, bafflegab.

**MR. G. DUCHARME:** Then, Mr. Deputy Speaker, we have the Land Titles. Now anyone - and I'll be accused of some type of favouritism because I happen to employ 12 people in the real estate business who are involved in land titles - so I've tried to stay away from that. However, I got a letter on August 22 from an individual, addressed to Gerry Ducharme, MLA: "We are very upset with the Land Titles Office due to the following. We have sold our home for cash and we have purchased another home with a \$47,000 down payment. We've had to take a short interim loan on this money at a \$15 a day interest. For a delay of six to eight weeks for land titles to be arranged, this could amount to approximately \$630 to \$840.00.

"We would have liked to have put down only 10 percent on this home to avoid this high interest rate but then we would not have qualified for a mortgage."

Listen to this, Mr. Speaker: "My husband's low-wage earnings of \$7.50 an hour, and also due to his age of 58 . . . "They wouldn't have qualified for the mortgage.

She goes on to say: "This is all our life's earnings we have and it causes us a great deal of hardship to pay out this money on a loan, as with such low earnings our budget must come to the last penny."

Again, she goes on and she mentions: "We have raised six children and never have we asked the province or the government to help us out in any way. We have never received any money to help us when we were down and out because we did not want to burden the taxpayer by applying for welfare."

So it's not just the lawyers, the doctors, or whoever is purchasing homes that are suffering some type of hardship. I sent that letter on, as soon as I received it, to the Attorney-General's office.

In my first Budget speech I mentioned this government wants to avoid the word deficit. However, for us on this side of the House, as we've tried to indicate, for this side of the House to avoid that word would be irresponsible. I am still not convinced even through the last three-and-a-half months the people of Manitoba that I've talked to want to live year-in and year-out with the \$500 million to \$600 million deficits.

As mentioned previously, there are very serious costs associated with this type of continued deficit we have today. Interest burden is the main one, Mr. Deputy Speaker. There is an ever-growing interest burden. If the government's fiscal house is not brought in order, the result will be a significantly lower standard of living for future generations.

Reduced fiscal flexibility, Mr. Deputy Speaker. There is a loss of fiscal flexibility. In the past the government had the option of undertaking costly and significant fiscal measures. Today, there is virtually no room for this particular government to maneuver. Money that is used to service that debt, that interest payment, cannot be used to finance other expenditures.

The society safety net in peril, Mr. Deputy Speaker. If governments do not act to reduce the deficit immediately, and if this government doesn't do that immediately, the cost of servicing the debt will be insurmountable by the end of the decade. This will seriously impair government's ability to maintain a wide range of programs.

**A MEMBER:** They won't have them.

**MR. G. DUCHARME:** By not acting to control the deficit, this government is acting irresponsible in its responsibility to protect the necessary level of the very important social programs.

Mr. Deputy Speaker, higher interest rates; the private sector borrowing is crowded out and interest rates rise. Less government borrowing would mean less demand for the money. Interest rates would be lower, private sector returns would be higher and risk capital would be rewarded.

Mr. Deputy Speaker, confidence is weakened by this government. The investment community will not trust a government that continues to live far beyond its means. This lack of confidence produces adverse effects in investment, the necessary growth, and the necessary jobs.

Mr. Deputy Speaker, this government is acting in an irresponsible manner to control a very serious problem and should be taking measures to control the deficit. The pace of deficit reduction strikes a balance between the need for sizable and firm action on one hand, and the need to avoid the severe shock to the economy on the other.

Mr. Deputy Speaker, I've tried to point out the Budget. We've been accused of not discussing the Budget. We've been accused of not discussing the money and the issue at hand on Bill 56. I've tried to stress the fact that we, on this side of the House, have to stress the deficit and Budget. If that's what we believe in, then we have to live with that fact and that's what we'll be elected on at the next election.

Mr. Deputy Speaker, the Federal Government has a solid record in encouraging private initiative, improving government effectiveness, and controlling the national debt. This is not going to be easy. The polls do not indicate it is easy, but however you must face it, the deficit has been cut. Small business has been encouraged. Measures have been taken to improve the integrity and fairness of the tax system. Pension standards are being improved and the government is acting to facilitate retirement savings. Significant tax

changes have been introduced to help those most in need. The Federal Government at the time is using and operating on a deficit to control expenditures. The government is strengthening its abilities to supervise financial institutions.

Mr. Deputy Speaker, the government federally is making these types of initiatives and is taking these types of programs, not just talking about them but doing them. The Federal Government, Mr. Deputy Speaker, recognizes that there are very serious economic and financial costs associated with the continued deficits that we've had for 20 years, of the magnitude of the recent years, and has acted in a meaningful way to put its fiscal house in order. It's not going to be easy and it's not going to be the type of action that's going to be favourable at the present time.

By 1990, the deficit will be \$26.7 billion less than it would have been had the government not acted. Of this amount, \$18.7 billion or 70 percent will be the result of expenditure reductions. Very importantly, for every \$1 dollar of deficit reduction - this government should listen - that has come from taxes, expenditures have been cut by \$3.00.

The financial requirements of the government, the money that must be borrowed after non-budgetary sources of funds are taken into account, will have been cut by two-thirds by 1990. By 1990, the total new money that must be raised from all sources - that's your Canada Savings Bonds, your Treasury bills and other securities - will equal what is raised in Canada Savings Bonds alone last year.

By 1990, the communal effect of the government's deficit reduction measures will be to cut the projected growth of the national debt by almost \$100 billion, an amount equal to \$3,700 per Canadian, which is very, very important. Of this amount, 70 percent will be due to expenditure reductions. By 1990, again, the government's deficit reduction measures will have reduced the projected growth of debt service costs by 6.7 billion per year. Interest savings by 1990 will total 18.7 billion, an amount equal to \$708 per Canadian.

We are often criticized on this side of the House as a Conservative to those who do not care. People say or the government tries to claim that they're the only ones who care. To be consistent, we're always knocked about our cousins in Ottawa. In helping low-income households, that government has even, if they would look, brought in significant tax changes that will benefit those in need. The 1986 Budget introduced a refundable sales tax credit to assist low-income Canadians. The credit will equal to \$50 per adult and \$25 per child. This is a major step in expanding the refundable tax credit system.

Mr. Deputy Speaker, the Child Tax Credit is being increased from \$384 per child for the 1985 taxation year to \$454 in 1986, \$489 in '87, \$525 in '88. The credit is the most important federal benefit to low-income families with children. We seem to be always tagged that we don't want to recognize these people. Low-income families will now receive a prepayment of the Child Tax Credit which will reduce their need for tax discounting services. In addition, the government has introduced tighter controls on tax discounters.

The 1985 Budget extended ineligibility for the disability deduction to a further 120,000 Canadians. The 1986 Budget increased the value of the deduction by 250 to 2,860.

Mr. Deputy Speaker, the reason why I've been mentioning some of the Budget needs that have been taking place is because we keep hearing from the Provincial Government, but we haven't been hearing on any major changes in this legislation. I've been sitting here for four months and all we've been hearing is that type of fedbashing that they've been carrying on with. What I'm saying is: why do they not come out and bring in some real good changes that are necessary in Manitoba and get their own house in order? Why don't they bring forward and encourage some economic and regional development?

Even the feds have done that across Canada. Investments in Cape Breton alone will be eligible for a tax credit of up to 60 percent. The 20 percent investment tax in Atlantic Canada and the Gaspé has been extended to the off-shore. A new and permanent system of income tax - and they keep talking about no tax reform - a new and permanent system of income tax deductions for housing and vacation and medical travel is being implemented for those who reside - they do think of the northern communities and isolated posts.

Mr. Deputy Speaker, the Federal Government has also done away with the Liberal Government's much abused and much talked about Scientific Research Tax Credit. It has been replaced with a more effective mechanism that provides a fully refundable tax credit on the first \$2 million of R and D performed each year. In addition, the definition of R and D for tax purposes has been improved.

Tax assistance has been made available for provincial labour-sponsored venture capital funds across Canada.

Our farmers, we're told again that the fellows in the East, or they call them our cousins, are not doing anything for the farmers. The farmers alone, under the new tax of the capital gains, the Canadian farmers will benefit from the induction of that tax and the rebate of all federal taxes on farm fuels.

Mr. Deputy Speaker, small business is also a backbone of the Canadian economy accounting for virtually all the new jobs created in recent years. Small business taxes have been simplified through the elimination of cumulative deduction account to the abolition of the difference between qualifying and non-qualifying income and through the elimination of the small business dividend distribution tax. For those members who do not understand or do not seem to care about the small business, this is a very important part.

Also, this particular government speaks again of the tax base. They often talk about the erosion of the tax base. Again, we on this side must continue to criticize them on their taxes, but they don't seem to come out and criticize the Federal Government on some of the issues that they should be criticizing them for. They didn't compliment or they don't seem to have a good working relationship with that particular government.

Mr. Deputy Speaker, the government has also, in Ottawa, trying to cut back, trying to eliminate the expenditures of the last 20 years are doing something about it. I don't see that here. I'm frightened of what's going to happen. I'm frightened of when we come in power four or five years down the road, what we're going to have to do. We're often criticized for being the government that has to take that particular action and be the ones who have to do the "dirty work," so

to speak, to try and get - the clean-up, to try and get things back in order.

Our particular Federal Government is going through that now, along with the shelter of the tax credit, they eliminated tax shelters based on investments, and the yachts, recreational vehicles and similar properties - that was established under a Liberal Government - halted income splitting through interest-free loans between family members; prevented the use of trust to distribute investment, income tax free; terminated the use of partnerships in corporate takeovers to increase tax deductions; tightened foreign property investment rules to prevent abuse; introduced a minimum tax of 25 percent to ensure that high income Canadians pay their fair share of tax; introduced new at-risk rules for limited partnerships; adopted measures to ensure the reporting of treasury bill income.- (Interjection)- The member mentions on the backs of Manitobans. Well, I don't agree on the backs of Manitobans, it's on the backs of every Canadian who is in Canada right now, the same type of on the backs, if you're a family at home and you have three children, your wife and yourself, you make cuts, everybody suffers and that's the problem. Those type of comments are the ones that show people that this particular government has no idea and it has no intention of cutting back.

**A MEMBER:** Spend to get re-elected, that's all they know, spend to get re-elected. Ruin the country, they don't care.

**MR. G. DUCHARME:** Mr. Deputy Speaker, we seem to also mention in this particular government that they, again, no one cares. Mr. Deputy Speaker, I've tried to emphasize in some of my comments - I could go on and on with many of the introductions of our federal counterparts. That's the part that bothers me from this side. I'm not hearing that from this particular government. I'm not hearing new ideas.

I didn't like the Autopac when it came in. I still probably don't like it, but at least something came in. This government has been attacking the feds continually.

**A MEMBER:** They're mentally constipated.

**MR. G. DUCHARME:** I must mention that this government has hid behind issues. Mr. Deputy Speaker, how long are you going to hide behind issues, hide behind the fact that you do have to do something about the Budget? I will go on record as congratulating the feds on doing their job. The feds are doing well, however this particular government has to show some type of lead. The feds have done some of the unpopular decisions, but these decisions had to be made after 20 years of the same type of irresponsible government that we've had from that side which they keep bragging about for the last 12 to 16 years.

**A MEMBER:** 12 out of 16 years, sad times. Schreyer said bankruptcy was okay, these guys make it mandatory.

**MR. G. DUCHARME:** Mr. Deputy Speaker, there is also mention in regard - even the large issue going on now

that we seem to get no comments from this side of the House - and that's in regard to the trade talks. We keep getting lip read, we keep getting flip-flop ideas, we don't seem to hear from this side of the House where this province is standing. It's amazing that we haven't heard from this so-called leadership of the Provincial Government.

I'll quote from a trade talks book that's put out: "The individual provincial viewpoints will be represented in trade talks as agreed at the last First Ministers' Meeting in Halifax. A federal-provincial committee of senior officials has already begun regular meetings." Very important closing: "No nation has ever gone to the trade table with a more open, democratic foundation, supporting and negotiating team." And that's for the record, anyone can pick it up.

A very important comment, "If and when a freer trade deal is struck with the United States, it will not come overnight. First, the negotiations themselves will take up to two years to complete. Beyond that, there will be a five- to ten-year phase-in plan in both the U.S. and Canada, designed to allow governments, businesses and employees to achieve the maximum benefits from the new trade arrangement. There will be no sudden changes in the marketplace."

Mr. Deputy Speaker, I'll even quote for people who have been involved in the start of these trade talks, people who are known and people who are aware of what's going on; the type of quotes we should get from our own government at this time. I quote: "We can move into the U.S., which is the biggest free market in the world and we can compete in it and we can win," Andrew McMann, Executive Vice-President, Marketing and Technology, Northern Telecom Canada Limited.

Another quote: "We are going to unify the country the way we've never done in the past," John Bulloch, President of the Canadian Federation of Independent Business.

Another quote: "The most sophisticated quantitative studies estimate the increased access to U.S. market under a free trade arrangement could increase the employment in Canada by 5 percent," Wendy Dobson, Executive Director, C.D. Howe Institute.

These are people that have started and been doing the research in this particular program. I'm still waiting to hear from this side of the House.

Mr. Deputy Speaker, I've sat here as a new member to try and hear where the leadership that we're to receive, the leadership that is usually coming from some type of government. I was told by people on the campaign trail that this particular government was not introducing too many new items. Mr. Deputy Speaker, I felt that with the new mandate that the Province of Manitoba has given this particular government, that they would come in especially in the first Session, bring in some of these new ideas that are necessary, rejuvenate what's going on. We haven't been getting those.

I must say that this Bill 56 is just a continuation of where this government left off from their previously, financially reckless term. This type of legislation - and I hate to be blunt - is only being achieved and can only be achieved by socialist maniacs.

Thank you, Mr. Deputy Speaker.

**MR. DEPUTY SPEAKER:** The Minister of Industry, Trade and Technology.

**HON. V. SCHROEDER:** Thank you, Mr. Deputy Speaker.

I just want to spend a few minutes discussing some of the concerns we have with respect to Bill 56. Several members have referred to the fact that it's too bad that we need this much money, and, quite frankly, I agree with them.

I think that we have to do something over a period of time to reduce our deficit, and I would like to see people in a reasonable fashion, fairly and honestly, look at where we get the money and not just - you know people can say, well you've got 100 apple polishers or you've got this or you've got that in terms of very small proportions of the kind of money we're really talking about. I don't think members opposite were suggesting that we're spending too much on Health. In fact, frequently, we have members saying we're having problems in Brandon, we're having problems in Winnipeg, in my area of the city, Concordia and so on. In terms of education, similar concerns. Members across the way and members on this side are getting requests for more spending. That's about half our budget right there, Health and Education.

Highways - you're making it very clear that you need more money on Highways. Agriculture - I don't think anyone in the Opposition would say that we're spending too much in terms of Agriculture. Tourism, Business Development, Natural Resources, tax credits - we've heard a little bit about tax credits from the previous speaker. Cost of living credits - I don't think anybody out there is saying that we're overly generous in those areas.

Community Services - again, an area where a number of members opposite have suggested that maybe we are not spending the kind of funds needed to deliver the programs we have, that our programs in some areas are underfunded.

Well, quite frankly, that pretty well takes up our spending, if you add on to that the interest costs we have from the debt that has arisen over the years. The manoeuvring room isn't as large as people might suggest, and we haven't been significantly different from other provinces. If you look at the Province of Saskatchewan, in 1982 they were at something in the range of a break-even situation in terms of their current and capital budget. By now, last year, they had a \$600 million deficit. Alberta, I don't know the number in 1982, but they're talking about several billion dollars in 1986, and so on.

We were at about a quarter-of-a-billion dollars and it's moved up to over half-a-billion dollars last year, and there's nobody who would say that's something that pleases them. I agree that over not even a long term, a shorter term, we have to do something to bring that down, but it can't be done at the same time as every day we say we want more spending and less taxes because certain members opposite have also been suggesting the Health and Education Levy should go. That's over \$100 million, that's a lot of money, and there has to be alternatives. The alternatives are not just simply several small programs here and there. I just say that as a start.

I did want, as well, to talk very briefly about the issue I raised as a grievance the other day and the response of the Member for River Heights. I've gone over my speech very carefully and I would say that it may well be true that on a casual reading of that speech, one

could say that I lumped the Member for River Heights in with the rest of the Opposition. I did not mean to do that.

I did mean to lump her in when it came to the issue of requesting the resignation, when it came to the issue of having an inquiry, when it came to the issue of widening the inquiry, when it came to the issue of intervening at the inquiry to make it even wider. I'm not in no way critical. People have the right to do that and the responsibility, as elected members, to call things the way they see them.

Where I was becoming critical was at the end where once a determination had been made that all the evidence is in - all the evidence, the member has been cleared - that only on the basis of a mockery of the language could anyone interpret anything to have been wrong by the member. It was at that stage we brought the member back into the Cabinet, and I suggested very strongly, at that stage, that his costs and the costs of other innocent members of the public who had been dragged into this campaign, especially by the Free Press, but also aided and abetted by the Leader of the Opposition, not by the Member for River Heights - and I, through that speech, never specifically suggested that, although I admit that it could have been so interpreted and that I certainly did not mean - but having been cleared totally in a way that has never happened before, to my knowledge, in Canadian history of judicial inquiries, at that stage, and given the evidence, given the fact that Mr. Justice Freedman was referring to the evidence in support of the case against the Member for Transcona as a mockery of the language, at that stage I believe that it was.

And the Member for Heights referred in her grievance to the proposition of what happens in legal cases. In civil legal cases, where the issue against an accused person or against a defendant is considered to be frivolous and vexacious, he is certainly entitled to his costs on a solicitor and client basis.

I didn't make that argument at that time. I certainly had that in mind but, clearly, where people say that in order to sustain a charge you have to say that there's a mockery of the language, that that is something frivolous at least, and if that is not vexacious at the same time, I really don't know what frivolous and vexacious is.

But I go beyond that. I referred to the Stevens inquiry where Mr. Stevens is being paid, Mr. Deputy Speaker, where none of the opposition parties disputed the fact that Mr. Stevens and the other players in that unfortunate affair should be paid their costs. I believe they should be paid their costs. There are so many fishing expeditions going on down there that it would be a very unfair burden for the ordinary member of Parliament or the ordinary member of the Legislature or the ordinary civil servant, the political assistant caught up in this, to be put in a position of having to pay for their costs in a case like that.

**A MEMBER:** Are you suggesting Stevens has been maligned by the press?

**HON. V. SCHROEDER:** I am suggesting that we leave open entirely guilt or innocence as the Member for River Heights did during this inquiry. I certainly agree

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with her that there were never any suggestions from her as opposed to the Free Press and some members of the Opposition, one of whom referred to one of the witnesses at the inquiry as a perjurer. That wasn't done by the Member for River Heights . . .

**A MEMBER:** There's a court case against him.

**HON. V. SCHROEDER:** There's a lawsuit with respect to that issue and it's not that simple a matter. But anyway, what I'm saying is that I believe there's a good, logical argument for saying that those kinds of costs for people involved in those kinds of hearings should be paid for.

I just close by saying that the previous speaker, again, couldn't resist the little shot about conflict of interest charges at the Workers Compensation Board, and he knows that by tomorrow, I believe, that document will be presented to the Legislature and we can then see whether this particular individual was guilty or innocent

rather than getting up and making a case of a case that is still to be made public.

I think people should be a little more careful about doing those things and maybe we've all learned a lesson over the last number of months.

Thank you.

**MADAM SPEAKER:** The Honourable Member for Minnedosa.

**MR. D. BLAKE:** Madam Speaker, in view of the hour, is it the wish of the House to call it 10 o'clock?

**MADAM SPEAKER:** Is it the will of the House to call it 10 o'clock?

The hour being 10 o'clock then, the House is now adjourned and stands adjourned until 2:00 p.m. tomorrow (Wednesday), when this item of business will stand in the name of the Honourable Member for Minnedosa.