

## LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 7 March, 1988.

Time — 1:30 p.m.

**OPENING PRAYER by Madam Speaker.**

**MADAM SPEAKER, Hon. M. Phillips:** Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . .

### MINISTERIAL STATEMENTS AND TABLING OF REPORTS

**MADAM SPEAKER:** The Honourable Minister of Agriculture.

**HON. L. HARAPIAK:** Madam Speaker, I have the pleasure of tabling the following reports: the Annual Report of the Manitoba Mediation Board; the Annual Report for the Manitoba Farm Lands Ownership Board; the Annual Report for the Manitoba Water Services Board; and the Supplementary Information for Legislative Review for the 1988-89 Estimates of the Department of Agriculture.

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

**HON. J. PLOHMAN:** Madam Speaker, I wish to table the Annual Report for the Conservation Districts of Manitoba for 1986-87.

**MADAM SPEAKER:** Notices of Motion . . .

### INTRODUCTION OF BILLS

**HON. M. HEMPHILL** introduced, by leave, Bill No. 7, An Act to amend The Child and Family Services Act; Loi modifiant la Loi sur les services à l'enfant et à la famille.

**HON. L. EVANS** introduced, by leave, Bill No. 8, An Act to amend The Social Allowances Act; Loi modifiant la Loi sur l'aide sociale. (Recommended by His Honour the Lieutenant-Governor.)

**HON. G. DOER** introduced, by leave, Bill No. 9, An Act to amend The Liquor Control Act; Loi modifiant la Loi sur la réglementation des alcools.

**HON. J. COWAN** introduced, by leave, Bill No. 10, The Cooperative Promotion Trust Act; Loi sur le Fonds en fiducie de promotion de la coopération.

**HON. A. MACKLING** introduced, by leave, Bill No. 11, An Act to amend The Prearranged Funeral Services Act; Loi modifiant la Loi sur les arrangements préalables de services de pompes funèbres; and Bill No. 12, An Act to amend The Cemeteries Act; Loi modifiant la Loi sur les cimetières.

**HON. V. SCHROEDER** introduced, by leave, Bill No. 13, The Regulations Act; Loi sur les textes réglementaires.

**HON. J. PLOHMAN** introduced, by leave, Bill No. 14, An Act to amend The Crown Lands Act; Loi modifiant la Loi sur les terres domaniales.

### MATTER OF PRIVILEGE

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

**MR. C. MANNESS:** Madam Speaker, I rise on a matter of personal privilege, and there will be a motion asking the House to take certain actions following that statement.

Madam Speaker, for the past six sitting days, the Opposition has been documenting distortions and misrepresentations of the information provided within the 1988 Budget. In doing so, we have called into question the credibility of the government, the Premier and the Minister of Finance.

We have exposed the following, Madam Speaker. First of all, there is no new spending in the areas of economic and resource development, in spite of government claims to the contrary; secondly, the increase in spending in Community Services is grossly exaggerated, year forecast over actual 1987-88 expenditures; thirdly, a complete misrepresentation of interest costs as a percent of the total Budget - they are in excess of 13 percent, not 11.4 percent as claimed by the government; fourthly, a failure to forthrightly explain the demise of the economy evident in sales tax revenue projection; fifthly, the failure of the government to present an honest interprovincial comparison potentially as related to interest costs and per capita debt figure.

Madam Speaker, over the past days, I have attempted to quantify the December 31, 1987, currency losses associated with foreign borrowing. As you know, every Budget since 1984 has provided the information either at calendar year-end or at fiscal year-end. Madam Speaker, the 1988 Budget did not provide that information in that fashion. Had it been done, it would have undoubtedly have shown Manitoba per capita debt far in excess of \$9,000 per capita as shown on page 8.

Madam Speaker, although there was a possibility of bringing the government's attempt to report currency losses in a non-conventional fashion to the attention of the House at an earlier date, I have thought it wise to attempt to quantify the losses as of December 31 so as to give substance to the matter of privilege. I, therefore, ask you to interpret section 82 of Beauséjour more liberally, bearing in mind that this is a complicated matter and also bearing in mind that this government thrives on number manipulation and number distortion.

Because the government and this Minister of Finance has deliberately attempted to account to the people in a most selective, in a most distortive, and in a most

unethical, unbusinesslike fashion, and because this government, in many instances in the past, has downplayed the seriousness of the loans that this province has taken out in foreign currencies, Madam Speaker, I have no alternative but to move, seconded by the Member for Sturgeon Creek,

THAT this House condemn the Premier and the Minister of Finance for their cavalier attempt at number distortion practised within the 1988 Budget; and

FURTHERMORE THAT the Standing Committee on Privileges and Elections be called to determine the proper method of accounting to be used in evaluation of foreign currency losses.

**MADAM SPEAKER:** I will entertain advice as to whether the essential conditions for a matter of privilege in this House have been met.

The Honourable Government House Leader.

**HON. J. COWAN:** Madam Speaker, I think the essential conditions for a leadership race speech have been met. Obviously, the Member for Morris, and who knows how many others of his colleagues on the Conservative side of the House, have found fault with their now-Leader's amendment to the Budget Speech. There are ways to bring those faults to the knowledge of the Leader, I'm certain - I'm certain they've done that - and to the knowledge of the general public, and I would assume that they would use those more customary ways, rather than try to abuse the Rules of the House in this manner.

**MADAM SPEAKER:** I will take the matter under advisement and report back to the House at the earliest convenience.

## INTRODUCTION OF GUESTS

**MADAM SPEAKER:** Before moving to Oral Questions, could I direct the attention of honourable members to the Table of the House.

I would like to introduce to honourable members Mr. Greg Putz, who is the Clerk Assistant of the Saskatchewan Legislative Assembly. Mr. Putz will be spending the next two weeks on attachment to this Assembly and will be serving both in the House and in committees.

I would ask you to join me in welcoming Mr. Putz to Manitoba and wishing him well in all his endeavours.

## ORAL QUESTIONS

### NDP Convention - priority

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

**MR. H. ENNS:** Thank you, Madam Speaker. I direct my question to the First Minister.

I would ask him, Madam Speaker, if he would tell this House, and through the House indeed all Manitobans, what he told some 600 New Democrats assembled in convention over the weekend - and I'd like to hear it from him directly - that his No. 1 priority of himself and of his party and of his government is the re-election of Mr. Ed Broadbent and the federal

New Democrats in the coming election, federal election, some time in '88.

Madam Speaker, did I hear the reports, both electronic and printed - correct me when I make that statement - that is indeed the No. 1 priority of this government, of this Premier?

**MADAM SPEAKER:** The Honourable First Minister, if that's within the administrative competence of the government.

**HON. H. PAWLEY:** Madam Speaker, I would like to give my speech.

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

**MR. H. ENNS:** Madam Speaker, can the Minister indicate why he has set aside the totally developed health crisis that we have in the Province of Manitoba, why he has set aside for now the continuing crisis on our farms and agriculture in this Province of Manitoba, why we have seen our whole feedlot industry being decimated, why we are not getting the truth in terms of fiscal responsibility in the whole financial affairs of this province, why all of that has been put on a second burner while he has dedicated himself, his government and his party to the re-election of Bob White and Ed Broadbent in Ottawa? Is that correct?

**HON. H. PAWLEY:** Madam Speaker, let me make it very, very clear. I don't hesitate for a moment in indicating to this Chamber - I'm sure to the surprise of none in this Chamber - that I'm hopeful we will witness the election of Ed Broadbent as the Prime Minister of Canada at the next federal election.

Madam Speaker, the election of Ed Broadbent will also assist all Canadians in ensuring better health care in this country, in ensuring a reduction in the cuts that have taken place by Liberal and Conservative Governments during the past eight years in health care funding to the provinces. The election of a New Democratic Party Government in Ottawa, I sense, Madam Speaker - I sense many other people would agree with me - would assist in the creation of jobs in this country.

Madam Speaker, despite the understandable chagrin of the Honourable Member for Lakeside, I don't believe he was in attendance yesterday at the convention. I will continue to oppose the Canada-U.S./Muironey-Reagan trade deal without apology.

### Per capita debt

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

**MR. C. MANNES:** Thank you very much, Madam Speaker. I direct my question to the Minister of Finance.

Given, Madam Speaker, that the government has broken with the recent practice of stating year-end currency evaluation losses and now has chosen to present selectively those year-end losses, those figures which are so vital and so important to all Manitobans, can the Minister of Finance state the actual per capita indebtedness of all Manitobans as of December 31, 1987, which he failed to do, by the way, in his Budget?

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

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

First of all, let's deal with this silly and unfounded allegation in terms of the change of evaluation dates for the . . .

**HON. V. SCHROEDER:** And dishonest.

**HON. E. KOSTYRA:** And dishonest - no, I won't say that, Madam Speaker.

Let's deal with that allegation, first of all, that somehow the long-standing tradition of this province has been to use the December 31 date in terms of the evaluation. That is incorrect, Madam Speaker. The dates that have been used have ranged from January 31 to March 31 to December 31. In fact, Madam Speaker, some of the other dates, other than December 31, were used by members opposite when they were in government. But today they get up and suggest that is somehow wrong and that is somehow improper and somehow that is a matter of cover-up, Madam Speaker.

The actual year-end that the member opposite doesn't know, the actual government year-end is March 31 and not December 31. The date that is provided for in the Budget provides for the most timely information in terms of the evaluation of the province, which at this point is January 31.

If one would take as an example the situation that exists at the present time with respect to currency fluctuations, you would find that the debt, according to his way of interpreting it, would be lower because there has been a further appreciation of Canadian currencies as against the U.S. and against other currencies.

The purpose of that date is to show what takes place in terms of the debt as against foreign currencies on one particular date. There is a separate set of figures that shows the amortization costs which are built into all the figures, and that is the more reflective figure of the public debt cost to the province of Manitoba.

### Budget - reporting date

**MR. C. MANNESS:** A supplementary question, Madam Speaker.

Given that over the last 10 years, on only one occasion have year-ends or month-ends, other than December 31 or March 31, been used by either Conservative Governments or NDP Governments, would the Minister of Finance indicate to the House whether the norm now will become that the NDP Government, in the future, will be able to select any month from calendar year-end, December 31 until May 31, if it so chooses, in calling and holding the Budget or reading the Budget later, and select from any one of those month year-ends the figures that put the government in the best light? Is that now going to become the norm?

**HON. E. KOSTYRA:** Madam Speaker, that really is a silly question. Again, I think the member fully understands what the purpose of those figures are. It shows what would happen in terms of that debt if it all had to be repaid on that one particular date, and

it can't be, Madam Speaker, because first of all the debt expires at various points in times over a 30-year period, depending on the debt. So that figure is meaningless in terms of the actual debt of the province.

What is meaningful is the actual cost, the book cost or the cost that is amortized on the books of the province, in accordance with a practice that was established by this government, to better reflect those costs after having discussions with the Provincial Auditor.

The practice is to ensure that we have timely information. If the Budget was held after March 31, in sufficient time after March 31 in order to project the figures at March 31, those will be the figures that would be presented. In fact, if the member likes, I will present him shortly after March 31 with the March 31 figures of this year.

**MR. C. MANNESS:** A final supplementary, Madam Speaker.

Given that this government on other occasions has chosen to use the December 31 year-end evaluation even though the Budget they brought forward was later than February 26 as came forward this year, will the Minister of Finance see fit to request that the Provincial Auditor give his opinion as to whether or not the government has practised accounting principles in keeping with public accounting principles as practised everywhere else because, Madam Speaker, my indication is that all other provinces report these losses as of December 31?

**HON. E. KOSTYRA:** Madam Speaker, again the member is wrong. This is the Saskatchewan Government Budget. The member says every other government in the country uses the December 31 date. In this Budget, it says March 31. I would suggest that the member get his facts straight before he makes allegations in this House or gets up and asks questions in this House, Madam Speaker.

### Third Quarterly Financial Report - tabling time

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

**MR. G. MERCIER:** Thank you, Madam Speaker. I have a question for the Premier, Madam Speaker.

The Minister of Finance tabled the Third Quarterly Financial Report on Friday, March 4. My question to the Premier is this, Madam Speaker. Two years ago, the Third Quarterly Financial Report was not tabled until April 2 of 1986, some two weeks after the March 18 provincial election. The Minister has now gone back to the usual practice of tabling the Third Quarterly Financial Report in either late February or the first few days of March, Madam Speaker.

Would the Premier now inform the House why the government deliberately withheld the tabling of that report in 1986? Was it the fact that he did not want to show that the government projections then predicted \$58 million more in the size of the deficit in that Third Quarterly Financial Report?

**MADAM SPEAKER:** The Minister of Finance.

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

The long-established practice of tabling these reports is that they are tabled in a timely fashion. The range of dates for tabling all of the quarterly reports have ranged for a period of a couple of months, Madam Speaker. The report this year was tabled as soon as it was ready, and in previous years that was also the case, Madam Speaker.

**MR. G. MERCIER:** Madam Speaker, the records indicate the Third Quarterly Financial Reports were tabled in February in the years 1979 to 1983, on March 2, 1984, on March 22, 1985, but only because it was tabled with the Budget, and now on March 4, 1988. The one exception to this was 1986, Madam Speaker, when the government deliberately withheld and refused to release the Third Quarterly Financial Report which showed a deficit increase of some \$58 million.

My question to the Premier is: Will he now admit that his government deliberately withheld that information from the public during the election of 1986?

**HON. E. KOSTYRA:** Madam Speaker, again the history of dates of tabling the Third Quarterly Financial Reports have varied through the months of February, March and April. The member makes great point of the fact that it was tabled on April 2. I presume that, if it was tabled on March 31, a couple of days earlier, he wouldn't have the same level of concern.

But you know it's interesting that here we are in the year 1988, in the midst of the 1988 Budget Debate, and what are we debating, Madam Speaker? Not the 1988 Budget, not even the 1987 Budget, but the member's going back a couple of years. In fact, he doesn't even want to talk about this Third Quarterly Financial Report which shows a reduction in the deficit this year. He hasn't even got the fortitude to get up and to compliment the Minister of Finance in bringing about a further improvement in the deficit of the province this year, Madam Speaker - not two years ago.

**MR. G. MERCIER:** To the Premier, Madam Speaker, the only significant variation in the release of the Third Quarterly Financial Reports was in 1986 when this government withheld the report until after the March 18 election.

Madam Speaker, the Premier has talked about his first priority is to elect an NDP Government. Is this the kind of moral standards we can expect in the release of information to the public during the federal election campaign?

**HON. E. KOSTYRA:** I think there's something in the rules about repetition.

Let me repeat, Madam Speaker, that this Third Quarterly Report shows continued improvement in the fiscal situation in the Province of Manitoba with a further reduction in the deficit. At the same time, Madam Speaker, we've committed more funds to health care in this current year, more funds to community services, priority needs of Manitobans. But it's interesting that they don't want to talk about this report. They don't want to debate this report. They want to go back to the election that they lost in 1986.

## MMA - salary demands

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

**MR. M. DOLIN:** Thank you, Madam Speaker. My question is to the Minister of Health.

There's been some confusion over the weekend about what the demands of the Manitoba Medical Association have been. I'm wondering if the Minister can inform the House what were the last demands tabled by the Manitoba Medical Association, and what the costs would be to the province of meeting these demands.

**MADAM SPEAKER:** The Honourable Minister of Health.

**HON. W. PARASIUK:** Madam Speaker, the demand that had been put on the table by the MMA was in the order of a 14 percent fee increase for doctors, which would be an increase of some \$16,233 on average per doctor and, given the volume increases that take place, would entail an average increase for doctors of over \$19,000 per year, which I have indicated is almost equal to what the average worker in Manitoba makes per year, let alone being an increase over the course of the year.

This type of a demand would lead to an increase in Medicare fee payout of some \$35 million for this year alone, Madam Speaker, which is a great, great amount of money, and would take away from money that could be allocated to Home Care, Pharmacare and other programs that provide for a balanced health care system in Manitoba.

**MR. M. DOLIN:** Madam Speaker, a supplementary to the same Minister.

The figure he quotes is estimated at about \$35 million a year. Has the MMA made any suggestions where they would expect the Province of Manitoba to get this money from?

**HON. W. PARASIUK:** Madam Speaker, that's the part that I think requires clarification from the Manitoba Medical Association in that over the weekend, John Laplume, who is the Executive Director of the Manitoba Medical Association - he is not a doctor - has indicated that doctors are bitter with the government spending money on programs they feel should not be covered by a health care system. He cited Pharmacare as an example.

Well, I believe, Madam Speaker, that the people of Manitoba believe very strongly in the Pharmacare Program of this province. They believe it's part of the overall health care system just as the Home Care system is a very important part of this health care system, just as ensuring elderly people will be able to go into personal care homes is a very integral part of this health care system, Madam Speaker. What we want is a balanced health care system for the good of all.

**MR. M. DOLIN:** A final supplementary, Madam Speaker.

Could the Minister advise the House how a \$19,000 per-doctor increase would increase the efficiency or benefits of health care in this province one iota?

**HON. W. PARASIUK:** Madam Speaker, we clearly believe that . . .

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

Would the honourable member please rephrase his question.

**MR. M. DOLIN:** Madam Speaker, according to the Minister the doctors have requested, on average, a \$19,000 per-physician increase.

I would like to know, and I would like the Minister to inform the House, if the doctors got this increase, would this in any way improve health care in this province?

**HON. W. PARASIUK:** Madam Speaker, we have indicated that we have to provide for funds for the health care system in a fair, balanced, reasonable way between all health care providers and between the needs of the consumers in different parts of this province.

We have offered \$3,800, which we believe is a very reasonable offer, Madam Speaker. It takes into account the education, the background, the important role the doctors play within the health care system.

There are people within the health care system indeed who have accepted 3 percent as a fee increase or a salary increase. This is on a base of \$15,000 or \$20,000 per year, which means that they will have increases in the order of \$450 or \$600.00. They have considered that to be fair and reasonable as part of their effort within the health care system.

But doctors have been offered \$3,800.00. We believe that is important, for them to feel that they are well respected within the health care system, but it certainly is something that is affordable. But we believe that \$16,000 - and if you take into account the volume increase, a \$19,000 average increase per doctor would in fact create hardship in other areas of the health care system and would not provide for a balanced health care system across the province, serving the needs of all people.

### Smith inquest cancellation

**MADAM SPEAKER:** The Honourable Member for River Heights.

**MRS. S. CARSTAIRS:** Thank you, Madam Speaker. My question is to the Minister of Community Services.

On Friday, the Crown attorney cancelled the inquest into Russell Smith's death, because it became clear of a possibility of altered or falsified records. In response to a question which I asked the Minister on February 24, the Minister said that the department study was very comprehensive and far-reaching. In my discussions with both Winserv and with Russell's parents, I believe that they also felt the same way. Indeed, the Minister has never spoken to Russell's parents.

Can the Minister explain today who gave her the misguided opinion that the Smiths were, in fact, happy with this report?

**MADAM SPEAKER:** The Honourable Minister of Community Services and Corrections.

**HON. M. HEMPHILL:** Madam Speaker, I suggest that the Member for River Heights is getting some information that is not accurate and that she should check out. Not only did I speak to Russell Smith's parents, I spoke to them on the telephone, and I had a meeting with them in my office, where I shared - Madam Speaker, I contacted Russell Smith's parents, first of all, to tell them that the investigation was under way and that I was instructing the investigator to meet with them and to review and investigate all concerns and all points that they had. As a result of that direction by me, the investigator met with them at length, took a list of questions and investigated and found an answer to every question and every concern that they raised.

Madam Speaker, when the interim report was in - I did not even wait until the final report was in - I invited Mr. and Mrs. Smith to my office. They came. I provided them with all of the information from the interim report and, at that time, Madam Speaker, they felt that the points, the areas and the recommendations that had come out in the report were identifying all of the concerns that they had and all of the deficiencies that they had. When the report was finalized, Madam Speaker, we once again called them from my office and told them, and couriered the final report out and the full report out to make sure that all of the concerns that they had raised were dealt with in the report. So there was a tremendous amount of direct communication from my office and directly with me, Madam Speaker.

### Winserv - employee allegations

**MRS. S. CARSTAIRS:** A supplementary question to this same Minister.- (Interjection)- No, because I've spoken to the Smiths and they say they have not spoken to the Minister since the report was completed.- (Interjection)- Exactly. Madam Speaker, my supplementary question to the Minister -(Interjection)- Read the Minister's question on the 24th, answer on the 24th.

Madam Speaker, my supplementary question to the same Minister is, when this Minister was contacted by a former employee of Winserv, why did the Minister not at that point set into place further investigation by her department of this employee's complaints?

**HON. M. HEMPHILL:** Madam Speaker, once again, I am very pleased to put on the record the actions that we took and the efforts that were made by myself, by my deputy and by my department to meet with the individual, who I want to remind the Member for Fort Garry was a third party, a messenger coming to us, providing us with information and allegations that they said could be substantiated by another individual or individuals working at the home. What we did was go through a process.

I think the first call came to my house on a Saturday night, Madam Speaker. I talked with this individual on the phone, determined that what they were saying was serious, that the allegation was serious, that we were concerned, and I agreed to have her call my office on the Monday morning to set up a meeting with me where I also made a commitment that, if she was going to come forward and provide me with this information,

the meeting with me would be done in confidence and with nobody else in attendance.

I had that meeting at a prearranged time with the individual and her husband, who came to my office and informed us of information and concerns that they had about information that had not come out in the initial investigation which, as she said, could not come out in the initial investigation unless individuals who worked there were willing to come forward with the information. She told me she thought they were, that it was a matter of conscience with some people. They were concerned about not having provided full information in the original investigation, and she thought they were now ready to provide that.

I left it with her that she would go and check with them to see if they were willing to have a meeting with me to provide the information, and she did that over a period of time. She came back, Madam Speaker, and told me that they were willing to meet with me. So we set up a meeting for me to meet, not with the third party who was bringing the information from somebody else, but with the individuals who had the information. Madam Speaker, that meeting was cancelled and the reason it was cancelled, they informed me at the last minute they would not be attending the meeting because they were concerned that I could not provide, in writing, a guarantee that the individual working there would be able to continue their employment. I couldn't do that because I was not the employer, Madam Speaker.

I know this is a bit lengthy, but the question warrants it, Madam Speaker. I think the question warrants - it's a serious issue and she is asking what we did and I am giving the sequence.

Madam Speaker, because the concern was that, if this individual gave the information, that person would be identified . . .

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

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

The Honourable Member for River Heights.

**MRS. S. CARSTAIRS:** Thank you, Madam Speaker, with a final supplementary to the same Minister.

If all of these meetings and all of this discussion was taking place, why did the Crown Attorney, who was to conduct the inquest, not know of any of these allegations until the inquest was opened on Friday morning? Why was there no contact between that department and the Department of the Attorney-General?

**HON. M. HEMPHILL:** Madam Speaker, because at the time, after some consultation and discussion and some advice from the Attorney-General's office, it was clear that we were proceeding with allegations that were being made by an individual who did not have the direct information or knowledge. We were told that we should proceed with the meeting, that I should try to set up the meeting with them, either with myself or to try and guarantee their job protection and have them meet with the chairman of the board, which we also set up an opportunity for that.

So what we were faced with was an individual coming in, acting as a messenger for other individuals. That

individual had to remain anonymous. That individual never has told us who the other individuals were, nor did the other individuals ever come forward with the information. So, Madam Speaker, we were dealing with allegations that were not even substantiated or verified by the people who knew the information. We have to have more information on that in order to proceed with an investigation, Madam Speaker.

### Winnserv - document manipulation

**MADAM SPEAKER:** The Honourable Member for Fort Garry.

**MR. C. BIRT:** Thank you, Madam Speaker.

Following up the information that the Minister has just given about the information she received on Winnserv and the conduct as to staff and the covering up of certain information that was being provided to the investigator, could the Minister advise when she confirmed to the press on Friday that this information about the allegations dealing with the doctoring of certain reports, why didn't she inform the public that the individual who brought forward that allegation had terminated her employment in August of 1987 and, therefore, had no knowledge about manipulation or changing of reports when the death of Mr. Smith occurred on December 17, 1987? Why didn't you bring that information to the public?

**HON. M. HEMPHILL:** First of all, Madam Speaker, all of the discussions that I had with that individual were based on a guarantee of absolute confidentiality. At no time did I discuss the person's name or the background of that person, whether that person was employed or not employed, because the information that person was bringing to me - the person was a former employee, told me they were a former employee and told me they were getting information from people who were there, who had the direct information, and were willing to come forward and provide that information to me.

I went through a period of about 10 days with something like a meeting with them directly, her and her husband, and about a dozen telephone calls between my assistant, myself and my deputy, trying to arrange a process where they would be comfortable and agree to come forward and provide the information to us directly, Madam Speaker. They agreed to a meeting with me; they cancelled it at the last minute.

They then said that I should contact the board chairman and see if the board chairman would agree to hear the information and to give them a guarantee that there would be job security. The board chairman agreed to that. We set two days when they could go and meet with the chairman of the board or the executive committee, whoever they wished. They decided not to proceed with those meetings too, Madam Speaker, but I was not aware that they were going to do that I think until the Friday, and we had to call them to find out what had happened. So we believed - (Interjection)- No, there's one other point, Madam Speaker. In terms of the doctoring of the minutes, we were told . . .

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

**MADAM SPEAKER:** Order please.

The Honourable Member for Fort Garry.

**MR. C. BIRT:** The Minister also confirmed to the media, I believe it was on Saturday, that a secretary had given evidence that documents had been altered which were to go to the investigator. This employee terminated her employment on the 22nd of January of this year. Did the Minister inquire why it took her so long to come forward to give this information? In other words, a whole six weeks went by.

**HON. M. HEMPHILL:** Yes, Madam Speaker. Yes, I'm quite clear. I understand why it took this person so long to come forward, and why other people have not come forward yet, and that is that they were very concerned about providing the information and very concerned about employment.

Now she left prior to this, but she also stayed in very close contact with friends and other people who were working there and, as I said, it was said to me that their consciences started bothering them, that they had information that had not been given and that they had not divulged. You should ask her why it took her so long to come forward with the information, not me.

**MR. C. BIRT:** Is the Minister satisfied that the documents were not falsified, because everything that the Minister has said to date is that these are allegations which could not be substantiated. Yet, she held and confirmed certain comments to the press. What I want to know from the Minister is: Were those documents falsified or in fact were they mere speculation and there's no basis in fact?

**HON. M. HEMPHILL:** Madam Speaker, the only position that I was in was a position of knowing that this was a serious allegation. I am not a policeman, I am not a court, I am not a judge, and I cannot verify nor was in any position to verify those allegations. What I did try to do was get the information from the parties who knew the information directly, so we could make a judgment on its veracity and then decide how it should be handled, in fact pass the information on, but we weren't able to do that.

**MR. C. BIRT:** Did the Minister attempt to verify any of these allegations that she's released and confirmed in the press with Winnserv, its board of directors, or any of the officers?

**HON. M. HEMPHILL:** Madam Speaker, first of all, the first thing we wanted was that the individuals who had the direct knowledge would: (1) identify themselves; and (2) verify the information that there had been tampering with the minutes. Until we had that, we had a third-party allegation which was unsubstantiated. We heard there were people out there who would support it, but they never did. Madam Speaker, it was clear to us that we would be better off trying to find a process where the people would be comfortable and give us the information than to run in and start, you know, running through an investigation for something that it was clear we would not find.

One of the things that was said that was very clear is that, unless the people involved with the changing

of the minutes provide the information, you will never find it because there is no information there that can identify that there has been a change. The only way you will get that information is by having the individuals come forward, and that's what we were trying to do.

### Fire by-laws - apartment owners

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

**MR. J. ERNST:** Thank you, Madam Speaker.

Since 1983, the City of Winnipeg has passed a series of by-laws requiring all apartment owners in the City of Winnipeg to fire-safety upgrade their apartment buildings to protect the lives of the tenants. Madam Speaker, on January 29, the Minister provided me with a list of those projects under MHRC control; 69 projects would require compliance. As of January 29, one had complied. Madam Speaker, with 10 private landlords a week being dragged into the courts for compliance with this by-law, why has this Minister ignored the by-law and endangered the lives of those tenants?

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

**HON. M. SMITH:** Well, Madam Speaker, on the general issue of compliance of landlords in the City of Winnipeg, I would be quite happy to take that part as notice and bring back a full description of the steps taken, the warning given, the time frame within which the landlords could comply, and in fact the record, the great majority of landlords who have complied.

The member has raised a question about specific landlords who did not comply and again I will get detailed information on that, but the information I have is that the vast number have complied, and they have had a five-year time frame including one extension, Madam Speaker.

**MR. J. ERNST:** Madam Speaker, the Minister on January 29 wrote me a letter detailing all of the information with respect to their apartment projects; 69 projects required compliance, one had been complied with. She need not take the question as notice. She has provided me with that information already on January 29. Can the Minister advise us why she is endangering the lives of those tenants, and why she is flouting the City of Winnipeg by-law when all other private landlords have to comply?

**HON. M. SMITH:** Madam Speaker, the very purpose of the fire code and the compliance is to protect the safety of individuals. I don't recall the specific names of 69 projects that would have been presented in a letter, but I have undertaken to get that information, as well as the listing or the numbers of the landlords who have complied with the code, Madam Speaker.

**MR. J. ERNST:** Well, Madam Speaker, I'd be quite prepared to give the Minister a copy of her letter so that she can bring herself up to date on these matters.



### God's River Airstrip - agreement

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

**MR. A. DRIEDGER:** Thank you, Madam Speaker. My question is to the Minister of Northern Affairs.

Approximately 10 days ago, the Minister indicated that within a day or two he'd make an announcement regarding the acquisition of the God's River airport. I wonder if the Minister could indicate whether that agreement has taken place and, if it has not, why not.

**MADAM SPEAKER:** The Honourable Minister of Northern and Native Affairs.

**HON. E. HARPER:** Thank you, Madam Speaker.

As I indicated before, the Band has been the head negotiator with the estate. The Federal Government and the Provincial Government have backed the Band in terms of having financial support. I haven't been privy to the negotiations. As far as I can tell is that the estate has rejected the Band's offer of \$1.4 million for the airstrip and the lodge together. I haven't received the details of the negotiations, whether there is a counteroffer, whether the negotiations are continuing. I have to wait until I get that information back.

**MR. A. DRIEDGER:** To the same Minister, Madam Speaker, can the Minister indicate what kind of service is being supplied to the area at the present time?

**HON. E. HARPER:** Well, in terms of the area being supplied at this time, I believe the winter roads are into that area, so a lot of the supplies of the Band or the needs of the community are being met through the winter-road system in terms of bringing supplies, the fuel, the housing material, etc.

In terms of the emergency services, the Medi-vac is the responsibility of the Federal Government, and the medical evacuation which was done last week was conducted by the federal Health and Welfare, the Medical Services Branch, for carrying out that operation.

### God's River Airstrip - negotiations

**MR. A. DRIEDGER:** A final supplementary, Madam Speaker, to the same Minister.

Can the Minister indicate who is doing the negotiating at the present time? Is it the Provincial Government or the Federal Government, both, or what role is he playing in those negotiations?

**HON. E. HARPER:** As I have indicated, it's the Band who is negotiating directly with the estate at this time. We have been in touch with the Band as to how they're going to proceed, and we're still awaiting word from them.

### MPIC - Autopac subsidization

**MADAM SPEAKER:** The Honourable Member for Ste. Rose.

**MR. G. CUMMINGS:** Thank you, Madam Speaker. My question is to the Minister responsible for MPIC.

I would like him to inform the House if it is the policy of his government to support the subsidization of Autopac rates from other sources?

**MADAM SPEAKER:** The Honourable Minister responsible for MPIC.

**HON. B. URUSKI:** Madam Speaker, I don't know what the member is alluding to. I'll take the question as notice.- (Interjection)- Well, I know that there are several categories, Madam Speaker, in the automobile area where the corporation, over the last number of years, has in fact paid claims in excess of \$2 or approximately \$2 for every dollar they've taken in. As a result, there have been classes of vehicles such as taxicabs, motorcycles and farm trucks and the like who have in fact received benefits in excess of the premiums that were paid in.

So for a period of time, there would be and it can be alleged that there is cross-subsidization as between one group of vehicles and another but, over the long period of time, it is not our intention to have one group of vehicles subsidize another set of vehicles.

**MR. G. CUMMINGS:** Madam Speaker, to the same Minister, then would he indicate if it is the policy of his government to subsidize the Autopac insurance Corporation from sources outside of the automobile industry? In other words, does he support the use of gasoline tax to subsidize automobile insurance in this province?

**HON. B. URUSKI:** Madam Speaker, that's certainly an interesting suggestion and in fact one that we did utilize for a couple of years in the Province of Manitoba, whereby motorists in fact who would pay a portion of their premiums through a levy of, I believe at that time, 1 cent a gallon gasoline tax to the corporation, which in fact the more a motorist would drive, would burn more gasoline and would be a measure of his exposure to traffic, certainly one way of utilizing a direct way of dealing with the motorist's exposure. Madam Speaker, that has not been utilized over the last 10 years, but certainly should be a consideration to see what Manitobans would think about that kind of an idea.

**MADAM SPEAKER:** The time for Oral Questions has expired.

### SPEAKER'S RULING

**MADAM SPEAKER:** Before moving to Orders of the Day, I have a ruling to present to the House.

On Wednesday, March 2, 1988, I took under advisement a point of order raised by the Government House Leader respecting words used by the Honourable Member for Ste. Rose in reference to the Honourable Minister responsible for MPIC.

I have reviewed Hansard and find the following words on page 430 attributed to the Honourable Member for Ste. Rose: ". . . either this Minister is misleading and lying to this House or Mr. Dribnenky is."

The word "lying" is a clear imputation of intentional falsehood which is prohibited by Beauchesne citation 322. The same citation points out that the House may,



on rare occasions, have to accept two contradictory accounts of the same incident.

In addition, Beauchesne citation 326(2) states, in part, that: "Words may not be used hypothetically or conditionally, if they are plainly intended to convey a direct imputation." Putting a case conditionally or hypothetically is not the way to evade what would in itself be unparliamentary.

I am concerned that, even though the Session began just over three weeks ago, this is already the fourth occasion in which words implying intentional falsehood have been the subject of a ruling.

I must conclude that the honourable member's remarks were unparliamentary and therefore ask him to withdraw.

The Honourable Opposition House Leader.

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

With all due respect, I would challenge your ruling.

**MADAM SPEAKER:** The ruling of the Chair has been challenged. All those in favour of upholding the ruling of the Chair, please say aye; all those against, please say nay. In my opinion, the ayes have it.

The Opposition House Leader.

**MR. G. MERCIER:** On division.

**MADAM SPEAKER:** On division. (Agreed)

The Honourable Member for Ste. Rose.

**MR. G. CUMMINGS:** Madam Speaker, I note in your ruling that you say that this is the fourth occasion where you had grounds to imply that unparliamentary language has been used on this side of the House.

Madam Speaker, it's very unusual, I agree, that should happen so often this early in the Session. Madam Speaker, it is a sign of the frustration and anger on this side of the House in trying to obtain forthright answers from this government.

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

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

The Honourable Member for Ste. Rose.

**MR. G. CUMMINGS:** Madam Speaker, I realize that my future attendance in this House in the next few days is in your hands and in the hands of the Honourable House Leader on the government side. I wish to be here on Tuesday, tomorrow, to vote against this government, to vote in favour of the amendment to the Budget.

Madam Speaker, I will withdraw those words that you consider unparliamentary, and I would replace them with the statement that this Minister and the truth . . .

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

**MADAM SPEAKER:** Order please.

**MR. G. CUMMINGS:** . . . are not very sound acquaintances. Madam Speaker, because I wish to be here tomorrow night to vote in favour of the amendment against this Budget, I will withdraw those words you deem unparliamentary.

**MADAM SPEAKER:** Thank you.

## ORDERS OF THE DAY

### BUDGET DEBATE

**MADAM SPEAKER:** On the adjourned debate of the Honourable Minister of Finance and the proposed amendment thereto by the Honourable Leader of the Opposition, standing in the name of the Honourable Member for Roblin-Russell -(Interjection)- Have I got the wrong one? Sorry.

The Honourable Member for Pembina has 13 minutes remaining.

**MR. D. ORCHARD:** Thank you, Madam Speaker.

I know there was nothing deliberate and intentional in that attempt to recognize my honourable colleague, the Member for Roblin-Russell.

Madam Speaker, you have drawn to the attention of this House a serious problem that has been required that you bring your impartial attention to over the last three weeks of this Session, namely, unparliamentary language.

Madam Speaker, my colleague, the Member for Ste. Rose, has identified the reasons why. It's abject frustration with members opposite who cannot be honest with the people of Manitoba. My colleague, the MLA for Morris, has drawn to the attention yet another obfuscation of the facts by the Minister of Finance in choosing January 29 as the assessment date for debt in the Province of Manitoba, using that January 29 date and comparing it with December 31 dates of other provinces and saying, hey, we're doing all right when in fact if he chose January 29 for other provinces, they would be much lower than the Province of Manitoba, which is the reason he chose January 29 - a clever ruse, Madam Speaker, but hardly honest for the people of Manitoba to make an analysis and an assessment of our relative position in the Province of Manitoba.

Madam Speaker, I want to just basically talk for the few minutes that I have remaining about the reason why we don't have a major tax increase in this province. That is because we've run out of fiscal room under seven years of NDP government to raise taxes in a significant way beyond the enormous tax grab that was foisted upon the people of Manitoba last Budget.

Madam Speaker, before I start, I want the honourable members opposite to refer to this year's Budget, page 9, and to refer to the last Budget, 1981, of the Honourable Brian Ransom, which has the charts showing the debt retirement. What we have saddled this province with, under seven years of NDP reign, is an increase in refinancing requirements for the period of 1990-1994 of three-and-one-half times what it was in 1981 and, for the next five-year time period, it is over six times the amount of money that has to be refinanced. That is as a result of the fiscal policy of seven years of New Democratic Party Government.

Now, my honourable friends over there always say, what programs are you going to cut? Where are you going to reduce spending? Well, Madam Speaker, let me tell you, regardless of who is government in the Province of Manitoba for the decade of the Nineties, there will be forced upon the people of Manitoba massive reductions in services because of the refinancing requirements put upon the people of Manitoba by seven years of incompetent budgeting

and irresponsible spending by New Democrats under the premiership of the Member for Selkirk. That will kill social programs in this province more quickly than any other single factor facing the next government of Manitoba.

Now, Madam Speaker, that is no light matter. What this government has chosen to do in lieu of adding direct up front and honest taxes - i.e., sales tax, i.e., income tax - they have chosen in a very . . .

**A MEMBER:** Devious.

**MR. D. ORCHARD:** It is devious, Madam Speaker, but in a very direct way, to tax the last remaining wealth in Manitoba, and that being to tax equity.

Madam Speaker, you might ask, how are they doing that? Well, if you go to the detailed Estimate of Revenue, they are taxing equity in several ways: land transfer tax \$12 million, \$13 million actually; insurance corporation tax, \$21 million; corporation capital tax, \$60 million; levy for health and education, the payroll tax, for \$197 million.

Madam Speaker, those are taxes which fly in the face of every stated principle of New Democrats, i.e., taxation on ability to pay, because none of those taxes that I have mentioned reflect in any way, shape or form the profitability of the company or the employer to pay those taxes. They are taxes which come first, even before the salaries are paid to the employees that this New Democratic Party says they stand for.

Those taxes come first, but what is even more onerous, Madam Speaker, is the way this government over seven Budgets has offloaded the financial responsibility of service provision to the municipalities in this province in education, in ambulance service and in other areas. They have offloaded costs to municipalities.

And what is the net result, Madam Speaker? The net result of that unloading of tax burden from the general tax collection revenues of the Province of Manitoba toward the equity taxation of property in the province is that property taxes in both homes, apartments and businesses have risen dramatically. What they are doing again, Madam Speaker, is taxing equity.

Let me put in my plea for those farmers in rural Manitoba, in my constituency and throughout the Province of Manitoba, who are faced with the most serious downturn in agricultural fortunes that we have ever faced, far more serious I might add, Madam Speaker, than the Dirty Thirties because farmers did survive without massive government support. Take away the Federal Government support for the farm community in Manitoba and we would have it decimated by 50 percent, Madam Speaker.

And what has this government done consistently in the farm community? They have consistently offloaded education costs to property, to farm property. Madam Speaker, the first tax to be paid by a farmer is his property tax, which upwards of 65 percent is education tax paid because this government and this Premier have reneged on their promise of 90 percent funding to support education in the Province of Manitoba.

Now what does that mean, Madam Speaker? That means that we have a New Democratic Party in the

Finance Department led by this Finance Minister who see a wealth of equity out there in the farm community. There is approximately 60 percent equity left in the farm community through paid-for assets in land.

Now what is the next source of tax revenue when you can't raise the sales tax, when you can't raise the personal income tax rates? You go to the property and you tax that equity away. You tax away the retirement fund of every farmer in Manitoba. You tax away the retirement fund of many Manitobans whose only equity in property is their home that they have built, that saving up of over years of very hard savings. You tax that equity away through the transfer of education, ambulance and health cost to the property tax base, and you destroy the last semblance of economic freedom for people under a democracy, namely, the ownership of property.

That's where we're coming from, Madam Speaker, in the Province of Manitoba. This government has lost the ability to tax revenues because revenues are down, and incomes are down and profits are down. So you go to equity and you tax farmers out of business through property taxation. My honourable friend, the Member for Elmwood, nods gently in agreement. I'm glad he recognizes this. You tax the equity of homeowners away through ever-burgeoning increased property taxation in the Province of Manitoba.

Madam Speaker, the former Attorney-General, the now Minister of Education, believes this is not a serious matter. Madam Speaker, when you come from the philosophical background that he did in the 1950's, you don't believe that individuals should own property. You believe the state should own it. That's where that member comes from and, Madam Speaker, where we are heading for in the Province of Manitoba with no more room to tax income in the province, as you will continue to tax away equity and the saved wealth of Manitoba.

Madam Speaker, that has nothing to do with the principle of eligibility to pay, because the first tax paid by a homeowner, by a farmer, by a businessman, is the property tax, with no ability whatsoever to pay in terms of how profitable that business is.

Madam Speaker, in closing, I want to make a plea to the Member for St. Vital. In the history of governments, very few people have the opportunity to go down in history as concurring with the will of a vast majority of Manitobans. The will of a vast majority of Manitobans right now is to have an election and to get rid of this NDP Government.

Madam Speaker, I appeal to the Member for St. Vital. Although he missed his opportunity in the Throne Speech Debate, he has an opportunity tomorrow to vote against this government and to go down in the history books of the Province of Manitoba as the individual who had the decency, the integrity, the honesty and the courage to unthroned a very unpopular and corrupt government in the Province of Manitoba, a government which has no vision for the future, a government which is morally and financially bankrupt, Madam Speaker, in both its legislative program and in the way that it handles questions and policy delivery in the House with such oozing arrogance that the people of Manitoba watching question period on the television screen know that this is an arrogant government that is only in to cling to power for two more years, while

it further debilitates the opportunities of future governments to govern properly in the Province of Manitoba and with some fiscal responsibility.

Madam Speaker, the Member for St. Vital has the opportunity, as does the Member for Inkster, to make their mark in history and to vote this incompetent and unwanted government out of office, and comply with the will of the people of Manitoba who want a change. They want a government back in that will approach government with honesty, integrity, fairness and equity, and will restore financial proper management to the Province of Manitoba.

I implore the Member for St. Vital and the Member for Inkster to exercise that right they have on Tuesday, tomorrow. Defeat this government and give the people of Manitoba the opportunity to make a choice as to who they wish to handle their tax dollars and the financial affairs of this province for the next decade of the Nineties.

Thank you, Madam Speaker.

**MADAM SPEAKER:** The Honourable Minister of Culture, Heritage and Recreation.

**HON. J. WASYLICIA-LEIS:** Thank you, Madam Speaker.

I'm very pleased, Madam Speaker, to have the opportunity to participate in this Debate on the Budget because it is a Budget that I'm very proud of, a Budget my constituents are very proud of, and a Budget that Manitobans are very proud of. That pride, on the part of all of us, originates from the fact that it is a responsible Budget; it is a Budget with vision. It's a fiscally sound Budget, but it's also a Budget that is sensitive to the needs of Manitobans, to the priorities that Manitobans themselves have set for us. It is a Budget, Madam Speaker, that balances the needs of people and the need for sound fiscal management and, as such, it is good for Manitobans.

It's been interesting to sit through the Budget Debate and listen to some of the speeches by members opposite. I have been amazed particularly at the number of mixed messages that members opposite have been sending forward. On the one hand, some members opposite will decry the fact that the deficit is too high, but on the other hand demand that we spend more.

Now I think perhaps it is interesting to note, as someone on this side of the House pointed out, that it's only spending more when it comes to constituencies of members opposite. I've had, Madam Speaker, incredible lobbying on the part of members opposite for access to all kinds of programs, for dollars to meet their constituents, for more and more programs and funds going in the direction of their own constituencies but, when it comes to giving us an idea of their overall strategy, of their vision and their priorities for Manitobans, we get nothing, Madam Speaker.

They have also given us a mixed message on the expenditure side. The Member for Morris and others have suggested that they know where they could cut millions from this Budget, hundreds of millions. But they scoff at every single measure that has been described in detail in this Budget that will reduce expenditures, that will result in efficiencies, that will result in less of a load for the taxpayer in Manitoba.

Most interesting from my own perspective, Madam Speaker, and the responsibilities that I have is the reaction of members opposite to the savings that have been outlined in the Budget with respect to government communications. It is interesting to note that this government has, over the last couple of years, ensured a reduction in communications in government, has projected more savings based on a coordinated, consolidated, cooperative approach to communications in government, and yet a saving - that kind of a saving to the tune of .75 million - is greeted by jeers and scoffing on the part of members opposite. Madam Speaker, one begins to wonder how serious they are about reducing expenditures in a rational, reasoned way that does not impact on the priority needs of Manitobans.

So we have seen, Madam Speaker, no consistent approach from members opposite it would appear, no vision, no plan of action, no details on what they would do if they were on this side of the House. So one has to begin to ask the question, why this confusion on the part of members opposite. Why these numerous messages? Why the lack of a consistent approach? It could be, Madam Speaker, that by virtue of being Conservatives, that's intrinsic to the philosophy and to the political party. However, it's more likely that they've been totally taken aback by such a good Budget. That's certainly one scenario.

There is another scenario that's certainly most possible, especially given today's performance in question period on the part of members opposite, is that there is considerable disunity in the benches of members opposite or, Madam Speaker, is this confusion a deliberate strategy to disguise and hide what is the real agenda of members opposite of the Conservative Party? Is it an attempt to hide what they would really do if they were on this side of the House, Madam Speaker? By every indication, it would seem that what members opposite would do and what all of this adds up to is a budgetary approach that includes cutting the deficit, yes, reducing government expenditures drastically, dismantling social programs, letting market forces and private interest set all public policy. I think, as has been stated by members on this side of the House quite often during this debate, one only has to look at the record of the province of the Provincial Government next to us, in Province of Saskatchewan, to get a clear indication of what members opposite would do, of where the Progressive Conservative Party of Manitoba would take this province. Let's look at some of the facts from Saskatchewan.

It's not an unknown fact that, about a year ago, the government in that province announced an austerity program that really sent shock waves throughout the province. We saw nearly one out of every seven Civil Service jobs being eliminated. We saw a situation where university grants were frozen, public school grants reduced. We saw many social service agencies having their grants eliminated. Look at the John Howard Society, the Native Court Workers program, Planned Parenthood, Saskatchewan Association on Human Rights, services for the disabled, the library system, cultural programs, assistance for the Metis Friendship Society, the Mobile Crisis Centre, the transition home for battered women, and the list goes on and on. High school students were removed from dental programs.

Services to students were contracted out to private dentists. Changes were made to the dental and drug plans that reduced spending by some \$45 million. Increased fees were charged to nursing home residents.

These and other cuts in social services are having a direct impact on the health and welfare of the citizens of Saskatchewan. Madam Speaker, I'm afraid that members opposite have clearly indicated to us throughout this debate that is exactly the kind of direction they would set in the Province of Manitoba.

I think we should make new assumptions on this in the House that members opposite do have a clear agenda, despite the confusion and despite the disunity. They have a philosophical commitment to restraint and retrenchment, and there are very clear correlations between their approach to budgetary matters and their undying support for the Reagan-Mulroney trade deal. I think both their approach to the Budget, to financial planning in the province, and their approach to bilateral trade matters are rooted in an antiquated neo-conservative philosophy of survival of the fittest or, should I say, survival of the meanest.

We've heard nothing but tough, mean, macho-type rhetoric from members opposite throughout the debate on the trade debate, the debate on the trade resolution, and throughout the course of the Budget Debate. So I think it's clear that members opposite are fully aware of the fact that the trade deal as presently constituted would only force down Canadian taxes to American levels, and that of course has to have a direct bearing on our social services, on our medical services, on programs that will assist people of all backgrounds, from all walks of life.

So they've made the linkages, Madam Speaker, and they're paving the way, and they're doing it with the philosophy of privatization, privatizing everything, deregulation, and cutbacks on just about every area. That, Madam Speaker, has to be recognized by Manitobans. It has to be clearly enunciated in this House.

It's obvious, Madam Speaker, that our approach on this side of the House as New Democrats is directly in contrast to the approach of members opposite. We're miles apart, Madam Speaker, on how we plan financially and how we approach such critical issues as the Canada-U.S. Trade Deal.

Madam Speaker, on that note, let me say that, given the criticism of members opposite for the fact that this government has spent less than \$100,000 to inform Manitobans of the serious implications of the trade deal, let me put it on the record that I wish it was a lot more. I wish we had the resources to put in that direction. I wish we had the ability to ensure that Manitobans were fully informed and knowledgeable about the drastic impact of the trade deal. I wish we had something even a fraction of the \$14 million spent by the Federal Government on material, leaflets and advertising to promote their support for the Mulroney-Reagan trade deal.

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

Mr. Deputy Speaker, I said that our approaches were miles apart. I think that it's important to describe the origins of our approach on this side of the House. I think we understand, based on the examples of

provinces and Provincial Governments to the west of us, the basis and the foundation for the kinds of suggestions that have been forthcoming from members opposite, but I think it's important to put on the record the foundations and the underpinnings to this Budget, which is directly related to our approach to the free trade issue, which is directly related to our approach to government in general.

It's an approach, Mr. Deputy Speaker, that comes out of some very fundamental principles, the principle of economic and social equality, and the principle that the two go hand in hand. One cannot achieve economic development and economic equality without equal attention and equal emphasis to social development and social equality.

This Budget, Mr. Deputy Speaker, and our approach generally as a government is also founded on the principle of the right to determine our own destiny, the principle of self-realization, of self-help, whether it be at the family level, the community level, the provincial level, or as a country, a country determined to be sovereign, determined to be able to control its own destiny.

It's a Budget, Mr. Deputy Speaker, that is founded on the principle of cooperation, the spirit of cooperative action that has really built this province. It is also, Mr. Deputy Speaker, a Budget that is based on a mixed economic model, a mixed economic approach to the economy, to the financial matters of this province.

So this Budget, Mr. Deputy Speaker, sees very clearly the articulation of several important themes based on those principles. It's a Budget that encourages economic development and growth. It's a Budget that preserves the principle that economic and social development go hand in hand, and it is a Budget that is clearly moving in the direction of sound fiscal management.

Let me go over each of those themes in some detail. The first, the question of encouragement to economic growth, economic development and economic equality - let's point, Mr. Deputy Speaker, to the fact that this Budget ensures continued support for the farm economy. It ensures continued support and added support to job creation initiatives. It proposes two new investment funds, the labour-sponsored Investment Fund and the Manitoba Equity Fund. It maintains expenditures in critical areas that are often not recognized for their importance to the economy, such as in the area that I am responsible for, Mr. Deputy Speaker, that of culture and cultural industries and cultural development, an area that I intend on coming back to later on in my speech.

Mr. Deputy Speaker, this Budget goes further than simply proposing and initiating new measures and added resources for economic growth. It states very clearly that economic growth will not automatically benefit everyone. It will not automatically equalize opportunities for everyone. It clearly articulates a fundamental principle that, if one is responsible as a government, if one is sensitive to the needs of Manitobans and the priority needs of Manitobans, as they have told us, then they cannot separate economic and social policies.

It's one thing, Mr. Deputy Speaker, to ensure that a social safety net is maintained or the ups and downs of the economy in the marketplace, and any responsible

government must continue to ensure that those safety nets are in place, but a caring government and a government that believes in fairness and justice will do much more than that, especially if you consider that there are some very real barriers to equal economic opportunities in this province for a number of our citizens, for a number of important groups in our society.

I don't think we can underestimate the real barriers that face many members of our ethnocultural communities. One cannot dismiss the barriers that are faced by our visible minority communities. One cannot put aside and deny the changes in the family which have occurred over the last couple of decades. One cannot deny the changes which have occurred in terms of women's labour force participation rate. One cannot deny the fact that more and more women are seeking employment outside the home because it is an economic imperative for that family. So, Mr. Deputy Speaker, it is in that context that this Budget makes a serious commitment to meeting the priority social needs of Manitobans.

Mr. Deputy Speaker, it is a Budget that adheres strictly to that principle of economic and social integration. That's why this Budget does provide an additional \$28 million to be spent by Community Services to enhance foster care, to improve child protection, and to extend the availability of day care. Mr. Deputy Speaker, we on this side of the House are proud of our record on day care, proud that we have been able in a difficult economic climate to find the additional resources that are required to enhance our day care system, to ensure accessible available day care, and we are committed to continuing in that direction.

In that context, Mr. Deputy Speaker, let me reiterate the disappointment that this government felt with the Federal Government's so-called new initiative with respect to day care. Mr. Deputy Speaker, that program will actually set us back in our determination to meet the needs of working men and women in this province. Mr. Deputy Speaker, that program pays not even lip service to the fact that hundreds and thousands of children in this country are in inadequate, potentially dangerous, potentially risky circumstances simply because of the fact that there still are not enough organized, licensed, good quality day care centres. That, Mr. Deputy Speaker, was the message that the Federal Government received from thousands and thousands of Canadians.

Despite that, Mr. Deputy Speaker, the Mulroney Government chose to redirect its attention to focus not on the issue at hand, but to focus attention away from the needs of working men and women in this province and in this country. Nevertheless, we will continue on this side of the House to do whatever we can in our power to move steadfastly in the direction of increasing spaces and licensed day care centres in this province.

Let me point to other aspects of this Budget that demonstrate our commitment to the fact that economic and social equality go hand-in-hand. There will be, Mr. Deputy Speaker, in this Budget some \$13 million more spent on economic security programs to protect the incomes of Manitobans. There will be, Mr. Deputy Speaker, \$36 million more spent on the province's schools, colleges and universities, in direct contrast to the province immediately to the west of us and indeed to the majority of Conservative Governments across

this country, who have adopted that approach of cutbacks, of mad slashing of social programs, of restraint and retrenchment.

Mr. Deputy Speaker, I've focused specifically on programs that will help families and meet the social priorities of working women, of children, of our ethnocultural communities. But let me also focus on another very critical, very important aspect of any social policy, and that of course pertains to our health care system. Mr. Deputy Speaker, this Budget preserves and enhances services such as health, education and child protection and day care, all of which improve the quality of life. It's not a fact that can be dismissed and ignored, as members opposite are wont to do. One can't ignore \$111 million that has been added to the health care budget.

One can't dismiss as inconsequential the \$50 million Health Services Development Trust Fund, established to find innovative ways to provide more effective health care. Mr. Deputy Speaker, under this initiative, this government, members on this side of the House, will be looking for ways to encourage preventative medicine, to expand the use of community-based care, and to improve accessibility to health care in rural and Northern Manitoba.

Of course, Mr. Deputy Speaker, there are other increases in health spending that show this government's concern with improving the current system. Let me mention the \$7 million that has been added to Pharmacare. Let me mention the \$12.5 million increase for Community Care. Let's not forget the \$42 million added for the funding of Hospital Services. And let's of course not ignore the new transportation policy on out-of-province medical care, which clearly shows this government's commitment to respond to the needs of Manitobans.

The list goes on, Mr. Deputy Speaker. Air ambulance will now transport critically ill to medical centres outside the province for treatment not available in Manitoba. Transportation costs will be paid for people who have to travel to medical centres outside Manitoba for treatment which is unavailable here. All in all, Mr. Deputy Speaker, health care as outlined in this Budget will receive 39 percent of all the new spending on programs. As I said previously, a total of \$111 million which will be put to meeting the priority health needs of Manitobans. Contrary to the innuendo and the misuse of facts presented by members opposite in dismissing this Budget, this Budget has shown a real commitment to meeting the priority needs of Manitobans.

Mr. Deputy Speaker, a third theme of this Budget is the establishment of sound fiscal management, something that, as I said earlier, members opposite are wont to ignore when it comes to making their case for deficit reduction, for cutbacks, for restraint. They want to cloud the fact that they are committed to cutbacks in areas that affect people by suggesting that this Budget is not fiscally sound. Mr. Deputy Speaker, the spending plans, as outlined in this Budget, demonstrate a commitment to both meet the priority needs of Manitobans and balance that with sound fiscal management.

It is clearly recognized, Mr. Deputy Speaker, that Manitobans want to see taxes kept as low as possible and the size of government reduced, but they want this done in ways to ensure that as many dollars as

possible are devoted or redirected to meet their health care needs, their community service needs and their quality of life.

Mr. Deputy Speaker, this Budget makes a very responsible, a very serious approach to the need for sound fiscal management. A whole series of adjustments, of deficiencies and reductions have been outlined in this Budget. Of course, they're dismissed by members opposite because they can't come to grips with the fact that this government can both meet the priority needs of Manitobans and present fiscally sound management practices.

Streamlining measures introduced, Mr. Deputy Speaker, in this Budget will not be done in any way that will unduly hurt our ability to continue to meet the priority needs of Manitobans. I'm sure members opposite of course would prefer deep down that we would involve ourselves in wholesale cutting of social programs, of health services, practised as I've said in other provinces. But unlike that approach, Mr. Deputy Speaker, we on this side of the House, the Manitoba Government, remains fully committed to providing leadership, to providing national leadership in preserving the quality and level of our health services and human programs. This Budget, Mr. Deputy Speaker, and our spending priorities, are guided by the principles of making humane choices and fair decisions on behalf of Manitobans.

Mr. Deputy Speaker, there is another theme in this Budget, a very critical area for the future of this province, something that often is overlooked and neglected in terms of focus by members opposite. That is the need for any government to put budgets in place, to set spending priorities that may not result in savings immediately, in the here and now, but are really an investment in the future.

In this Budget, it is very clear that, for members on this side of the House investing in the future, working now to preserve and enhance aspects of our communities that enrich those communities, that ensure a good quality of life, that focus on prevention, are clearly protected in this Budget and encouraged to grow and further enhance the quality of life in all communities.

Let me focus specifically on one area. I mentioned earlier in my speech that any investment in culture, in cultural industries in this province, is good on its own merits. It's good in terms of the contribution that will make to this province's quality of life, but something that is often ignored and neglected is the fact that investment in culture and cultural industries produces enormous economic benefits for Manitobans and for Canadians.

I'm sure all members, at least on this side of the House, were very concerned when we started to receive resolutions and direction from organizations such as the Union of Urban Municipalities by way of a resolution to suggest that funding for culture and recreation in this province should be reduced so that we could spend more on basic infrastructure. Mr. Deputy Speaker, that kind of thinking, that kind of resolution really does not take into account the benefits that derive from investment in culture and cultural industries.

I'm not too sure if members opposite are aware of these facts. It's certainly not apparent in their contributions in this House, certainly not enunciated

in their activities in the Legislature. It's certainly not clear from their questioning and from their actions. But culture, art, heritage, recreation, multiculturalism, endeavours in all those fields make a massive long-lasting contribution to the economy in very direct terms. It is regrettable that the Member for Springfield is not here since he is the . . .

**A MEMBER:** You can't do that.

**HON. J. WASYLICIA-LEIS:** Sorry, Mr. Deputy Speaker, I apologize. I know I should not mention the absence or presence of any member, and I apologize for that.

But I want members opposite to know that collectively the commercial arts, the fine arts, the amateur arts, the arts that include advertising and broadcasting, crafts, motion pictures, performing and visual arts, publishing, sound and video recording, all of those combine together to constitute the arts industry. In fact, Mr. Deputy Speaker, that industry is the largest in this country with respect to employment. It's the fifth largest with respect to salaries and wages and, Mr. Deputy Speaker, it is the tenth largest with revenue as of 1983, the latest period for which we have up-to-date statistics, of \$9.2 billion or 2.4 percent of our gross national product.

Perhaps, Mr. Deputy Speaker, the most significant aspect of all of this, and the point that I really want to emphasize, is the contribution of the arts, of endeavours in the fields of multiculturalism, of heritage and recreation, is that of the employment created and the numbers of jobs created.

Mr. Deputy Speaker, between 1971 and 1981, the Canadian labour force grew by 39 percent. I'm sure it's a fact well known by members opposite. But, Mr. Deputy Speaker, the arts labour force - that is the individuals using arts and crafts-related skills in their day-to-day jobs - increased by 74 percent. And further, Mr. Deputy Speaker, cultural industries are extremely employment efficient, enjoying dollar for dollar, I believe, a six-to-one employment advantage over manufacturing. Now that's a fact that is not well known and one that must be taken into account by any government in this country in any planning of a Budget. And that's what members on this side of the House have done in making some very difficult budgetary decisions, Mr. Deputy Speaker.

That's why this department, the Department of Culture, Heritage, and Recreation, will enjoy, if one looks at the savings that will incur as a result of our consolidation and efficient coordination of communications structure within government - if one leaves that fact aside, one will see that the budget for culture and our commitment to spending in that area is not only maintaining itself, contrary to what's happening in governments particularly to the west of the us, but is actually enjoying a slight increase. That's significant, Mr. Deputy Speaker, because it must be recognized by members opposite, as members of this side have recognized, that there are very direct economic benefits, very important employment initiatives as a result of that fact, but also many spinoffs due to that kind of investment, that investment in our cultural fabric of this province, in multicultural and heritage initiatives.



Mr. Deputy Speaker, just a minute ago, I heard a member opposite yell out, what about lotteries. Well I'm glad the member opposite has raised that matter. How much time do I have?

**MR. DEPUTY SPEAKER:** Your time is almost over.

**HON. J. WASYLICIA-LEIS:** One minute, okay.

Mr. Deputy Speaker, I'm glad that a member opposite shouted that remark. I'm sorry that it hasn't been raised in the form of a question or a comment by members opposite for the official record, because we are in a very difficult situation and certainly one that requires all of our attention, care and creative input. We're all very concerned about the situation that we are into with some of the statements made by the Alberta Government, very concerned about the potential losses that may result in that kind of a situation. I would hope that members opposite will join with me in working out a creative solution and a way to ensure that all of those non-profit organizations in the field of culture, sport, recreation, multiculturalism, heritage and so on are able to continue to enjoy the very substantial and sizeable benefits and revenues that they now receive from the lotteries distribution system in this province. I look forward to further discussion and input from members opposite on this matter.

On that note, Mr. Deputy Speaker, I will close my remarks by once again saying that I join with all members of this House in expressing a great deal of pride and satisfaction with the Budget before us.

Thank you, Mr. Deputy Speaker.

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

**MR. H. ENNS:** Mr. Deputy Speaker, I appreciate the fact always of following an inspiring address by the Minister for Cultural Affairs to engage in yet another Budget speech.

Mr. Deputy Speaker, it gets harder over the time and over the years, and it's harder particularly when essentially the Budget - and the major problem with the Budget, ergo the major theme of any response has to continue to be the same message: the deficit, the concern of the deficit that people should have. Now that doesn't bother the Minister who just spoke before me. She equates that all into that package of mean-spiritedness, cutbacks, concentration on fiscal responsibility, budget balancing and so forth, which after all get in the way of Ministers like that from doing all the things they want. But, Mr. Deputy Speaker, more and more of them are beginning to recognize just how seriously budget deficits do impact on all of them and on the programs that they hope to deliver to their constituents and to the people of Manitoba.

Mr. Deputy Speaker, certainly my Leader, certainly just last Friday and again this afternoon my colleague, the Member for Pembina, as did my colleague, the Member for Morris, throughout his questioning period ever since the Budget was brought down has served notice on this House and hopefully to growing numbers of Manitobans about the seriousness that this government, this administration, has brought us into.

I was searching around for some graphic way of myself fully comprehending just how serious this matter

is. The other day I was working in my shop at the farm. I have an old calendar hanging up there. It is an old calendar, it dates back to 1970. It lists all the Premiers starting with Mr. Boyd in the year 1870 when the province was formed, our first Premier, right through the whole list, 17 or 18, to Mr. Campbell, Mr. Roblin, Mr. Weir, Mr. Schreyer. The only one missing because of the date of the calendar is that great Manitoban, the first that many of us had the privilege of serving under, the Honourable Sterling Lyon, but he would be added to that. That would make him No. 17.

Let me count that right: one, two, three, four, five, six, seven, eight, nine, ten, eleven, twelve, thirteen, fourteen, fifteen, sixteen. Mr. Lyon would be 17. So our present Premier is the 18th Premier. I ask myself: What has this Premier done that all 18 before him have not been able to do? Or put it another way, what has this Premier done, what has this administration done that all administrations since the formation of this province have not been able to do? Mr. Deputy Speaker, the answer is just simply overwhelming when you realize that this administration in six short years borrowed more money than all Premiers, all administrations in the history of this province.

**A MEMBER:** Put together.

**MR. H. ENNS:** Put together, and then by some.

Then you begin to realize the enormity of what this administration has done and what this administration has left Manitobans and future generations of Manitobans to grapple with.

Mr. Deputy Speaker, you ask yourself, well, surely there must have been some specific reasons, some outside reasons for this massive borrowing on the part of this administration. I'm talking as a historian, as somebody looking at this administration 30, 40, or 50 years from now and they wonder what took place in Manitoba during the periods from 1981-88 or '82-88, the six Budget years that we're talking about, that called for this massive borrowing of funds, this massive indebtedness. So you begin to search.

Did we have a series of devastating floods in the province that sometimes have hit us? No, I don't think we had any. Did we have a series of extreme droughts during this period of years? I don't think we have had them. As a matter of fact, Mr. Deputy Speaker, you would have to - throughout those six years, because you recall '82 was when this administration effectively started, we were in fact just coming out of one of the more serious recessions in the post-war period.

**A MEMBER:** As admitted by them.

**MR. H. ENNS:** As often acknowledged and admitted by members opposite.

Mr. Deputy Speaker, certainly if one reads the speeches, the Throne Speeches or the speech from the Minister responsible for Labour or industrial activity and economic welfare of the province, then you would have to believe that, during the same period of time, we were enjoying a reasonable economy. We have pointed out on occasion some of the specific reasons why the economy in Manitoba has been registering as buoyantly as it has for some of the specific reasons



that we have indicated, such as the advancement of major hydro-electrification plants and so forth.

But nonetheless, again a historian would have difficulty in pinpointing this particular era, this particular time, these six years for a cause, in searching for a cause and effect. What was going on in Manitoba that singled out this period of six years and made it so different from the preceding 100 years that caused so-called responsible governments to borrow so massively and to place future generations of Manitobans so massively into debt?

Mr. Deputy Speaker, that really is the question that historians will ask themselves of this era, of this period, but that hardly serves the people of Manitoba. It hardly makes that load any easier for them to bear. Mr. Deputy Speaker, you can compare and you do some comparisons, and people do talk in a comparative way, and it's often mentioned even in this House. We still talk about the Roblin years. Well, some even on the other side acknowledge that they were progressive years, that they were years that accomplished a great deal.

Mr. Deputy Speaker, I can recall when I was first elected into this House in '66, coming as I did from the Interlake. At that point in time, we still had 186 single one-room school buildings in the Interlake. The school consolidation was not complete in the mid-Sixties. You take that program alone that was carried out, commencing in 1958 and pretty well concluded by 1968-69, a decade of massive investment in education on the part of a government, massive investment on the part of the Provincial Government.

Mr. Deputy Speaker, the Campbell administration that is sometimes remembered, not by too many any longer in this House, certainly it's remembered for its frugality, for its concern about the public purse but, Mr. Deputy Speaker, I have never had any difficulty in acknowledging accomplishment when something real and of substance is accomplished.

**MR. D. BLAKE:** Rural electrification.

**MR. H. ENNS:** Mr. Deputy Speaker, the Member for Minnedosa acknowledges the program that I was about to mark, the Rural Electrification Program. Mr. Deputy Speaker, can you imagine what this government with their hundreds of apple-polishers, communicators would have done with that kind of a program, what kind of a Jobs Funds description that would have? Can you imagine how many green-and-white signs there would have been up in Manitoba had they run that kind of a program? Well, maybe the Liberals would have had red-and-white signs, Mr. Deputy Speaker.

But, Mr. Deputy Speaker, the point that I'm trying to make is that was a massive undertaking on the part of a Provincial Government. It accomplished massive social objectives of bringing about tremendous advancement to rural Manitoba. It was also a tremendous job creation program because many of our boys were just returning from the war, from having served their country in the wars, were returning to Manitoba and to their homes.

So you had teams of electricians and contractors spanning all across the Province of Manitoba and, in a short period of time, from about 1947-48 until the

years 1954-55 literally wired the province and brought rural Manitoba into the 20th Century. Mr. Deputy Speaker, I just refer to these examples as kind of benchmark accomplishments on behalf of past governments that live in the memory of the residents of the province that these governments serve. I'm wondering what particular accomplishment in a general way will be remembered? How will the Pawley administration, how will this administration be remembered? Surely, Mr. Deputy Speaker, as they are thinking about them, they will remember - and it will be our job to keep reminding them of the tremendous debt they have foisted on the people of Manitoba and the interest that we have to continue to pay.

Mr. Deputy Speaker, it is simply mind boggling when I tell members opposite that, in 1969, the entire current Budget requirements of the province could be financed by the Department of Finance. The entire current Spending Estimates of the then administration of this province could be funded by less money than we are now paying on interest on the money this administration has borrowed.

You know, Mr. Deputy Speaker, there is at least some little sign of hope because, in the course of this Budget, this is the very first time that I've heard some recognition of the severe problems imposed by uncontrolled spending. We heard it from the Member for St. Vital. I would only hope that he would continue listening. We've heard it from the Member for Inkster. I would hope that he would continue to listen.

Mr. Deputy Speaker, I can understand, and this is why of course more and more members ought to begin to understand why it is so important, because it is as they see the demands of the Department of Finance rise and rise to become one of the paramount spending departments in the whole issue of government service, then they begin to realize that some of their pet projects are falling by the wayside and they can't be financed anymore. Mr. Deputy Speaker, that is why it is so totally wrong-headed on the part of this administration, on the part of this Premier to, on this weekend, establish as their No. 1 priority the election of a federal New Democratic Party Government into Ottawa.

Mr. Deputy Speaker, let me take just one moment to acknowledge and to, quite frankly, thank God that we have a Michael Wilson in Ottawa, that we have a Conservative administration in Ottawa that has at least started to do -(Interjection)- Well, what he's trying to do is what your Minister of Finance, by this Budget, is attempting to hoodwink us into believing he's doing and turning the street.

Mr. Deputy Speaker, in 1984 when the present Federal Government took office, we were projecting a \$38 billion deficit federally. Does anyone doubt for one moment that, had there been a coalition of Liberals and New Democrats or indeed if there is a Liberal and New Democrat, that we would be looking at a \$45 billion to \$50 billion deficit? Of course, that's the case. And if that's the case, then watch programs being cut.

Mr. Deputy Speaker, I can recall earlier on in the events of this administration when they brought down their first \$400 million to \$500 million deficit. I asked the simple question, Mr. Deputy Speaker, what is the limit as to how much we can dedicate of our income to paying for our borrowing? We're now at 13 percent and over 13 percent. We were accustomed to 4.5 percent, 5 percent; we are now at 13 percent.

I ask the same question in this Budget, Mr. Deputy Speaker. What is acceptable to members opposite - 15 percent, 25 percent, 30 percent? Well surely, Mr. Deputy Speaker, it isn't really a matter of ideology. It is a matter of hard mathematics, hard economics which will dictate what that figure is.

You know, Mr. Deputy Speaker, the tragedy is that we have examples around the world to look to, not with much optimism and not with much hope. There are countries in this world, Mr. Deputy Speaker, that have so mismanaged their affairs over the last period of 30 or 40 years that their entire wealth-producing capability is directed at servicing foreign debt. That's essentially the situation that countries like Mexico, Brazil and other countries find themselves in. Everything that those countries produce is required to service debt, so they can't build schools, they can't build hospitals, they can't build roads. This is what this administration will want to close its eyes to in terms of its budgetary requirements.

At least they've heard - and this is the very first time I report to you, Mr. Deputy Speaker, the very first time I report to all members here that I have heard a New Democrat stand up in this Chamber and express some concern about the size of the deficit and about what future uncontrolled spending will do to Manitoba. We heard from the Member for St. Vital who should follow the advice given to him this afternoon by my colleague, the Member for Orchard, think hard about the position that he could - (Interjection) - Pardon me, the Member for Pembina - think hard about the opportunities that he has tomorrow . . .

**A MEMBER:** To be a hero.

**MR. H. ENNS:** Not simply to be a hero, Mr. Deputy Speaker. He would be viewed that way in the eyes of many Manitobans if he should do that but, far more importantly, he would be carrying out conscientiously the right thing, the thing that could save countless, countless Manitobans from the kind of massive financial headache that they are waking up to every day and, to the regret of all of us, that we are passing on to our children.

Mr. Deputy Speaker, I keep searching for a specific reason for this government's difficulty. You know the old somewhat outdated Keynesian view of economics that at least says, okay, accepts the fact that you deficit finance in tough years, you spend, maintain your social services, maintain your government services in the lean years by deficit spending, but then recapture some of that position, pay off some of that debt in the good years. Mr. Deputy Speaker, we've been told every time by the Premier for the last two or three Sessions - and to some extent the stats bear him out - that these are reasonably good times in Canada and in this province.

**MR. J. DOWNEY:** Sure, they're always telling you that.

**MR. H. ENNS:** Why then are we sliding so much further behind into debt, Mr. Deputy Speaker? When you further read the stats, between 1982 and 1989 (sic), the government expenditures increased by some \$2.125 billion or 87 percent, but revenues increased by \$2.42 billion or 94 percent over the same period. Again, it's

hard to understand. I mean, was the large deficit incurred by this government because they were reducing their revenues, that they were reducing taxes, as in fact to some extent, if the Honourable Attorney-General wants to chide me about Reaganomics, is the fact in the United States. That ship has not totally come into port yet.

My understanding is that the final figures are beginning to turn around very promisingly for the United States economics with respect to the budget steps, the taxation measures that they took and the revenues that are now being admittedly slowly, generated by that innovative and courageous tax reform undertaken by the Reagan administration, and it will be seen whether or not a President Bush or a President Dukakis or whoever will not be the recipient of seeing sharply falling federal deficits, thank you to the far-sightedness of hard-nosed Reaganomic politics in the last seven years.

Mr. Deputy Speaker, I am very happy that is on the record because anybody, any concern about bringing our tax regime into some degree of fairness and some degree of renewing some greater form of private initiative into our entire economic structure will be welcomed by a growing number of Manitobans and Canadians. As a growing number of Canadians become aware of the fact that tax reform has taken place with our major trading partner, that pressure will be on us in ever-increasing form. I have no doubt that Finance Minister Wilson will be doing something about it very shortly, and that it could well become, along with the free trade issue, one of the key platform policies that will re-elect the Mulroney administration whenever it goes to the people some time in the fall.

So, Mr. Deputy Speaker, this administration has done the worst of all situations. They have taxed more, they have spent more, they have borrowed more. Mr. Deputy Speaker, we find people among their own back benches beginning to question what they have accomplished. That, Mr. Deputy Speaker, surely will be the final question. With all this massive spending, have we materially changed the lot of the underprivileged in the province of Manitoba? Have we resolved the problems of our Native community in this province? Have we resolved the problems of the chronic unemployed, Mr. Deputy Speaker?

Are we not seeing at the same time a serious weakening of some of those very basic infrastructure items that we take so for granted, whether it is our highway systems, whether it is our universities, whether it is our whole school system, whether it is our whole hospital system? We are seeing those being reduced, those being threatened.

The Minister of Energy shakes his head. Where has been? What Cabinet meeting has he been sitting around to when, successively, he has agreed to having \$10 million and \$12 million chopped away from the highway program, Mr. Deputy Speaker? There used to be an \$8 million to \$14 million allocation in the Department of Natural Resources for maintenance and improvement of various water projects. Where has that money gone? There has been no money in that. - (Interjection) - No, I'm just pointing out we've thrown that away. I'm not asking for it. I'm just saying how you have taken away the \$10 millions and \$12 millions out of the various operating departments of government and replaced them with nothing.

You've replaced it with paying interest on the debt of the money that you borrowed, and that's the tragedy and that's indeed the crime that you are perpetuating on the people of Manitoba. They will remember this administration for one reason only, the words debt, deficit, interest. These will be the buzzwords that future generations of Manitobans will remember of the Pawley administration. That is what they have to live with.

Thank you.

**MR. DEPUTY SPEAKER:** The Honourable Minister of Highways and Transportation.

**HON. J. BUCKLASCHUK:** Thank you very much, Mr. Deputy Speaker.

I'm indeed pleased to be able to rise and speak to the Budget that has been presented to this House by the Minister of Finance.

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

**HON. J. BUCKLASCHUK:** The Member for Sturgeon Creek doesn't want to hear what I have to say.

I would like to congratulate the Minister of Finance for the Budget that was tabled in this House some two weeks ago, a Budget which reaffirms this government's commitment to economic development, to job creation and to the preservation and strengthening of essential services, particularly health and education. I particularly commend the Minister for the heavy stress that's been given to health services which will require about 32 percent of total government spending.

Members opposite have made joking reference to the convention that took place during the past weekend, but I want to assure them that the mood was very positive and very supportive, and that particular group of Manitobans is looking forward with optimism to the future of Manitoba. Manitobans enjoy rising living standards and assured public services, and they know that we are creating assets for the future. The stage is set for continued solid gains.

Mr. Deputy Speaker, I want to remind members of this House that the gross domestic product in Manitoba is expected to increase by approximately 6 percent in 1988 and, after accounting for inflation, real growth is forecast to be close to the Canadian average of about 2.5 percent. Further gains in employment and a reduction in the unemployment rate are also expected.

Mr. Deputy Speaker, favourable costs, including electricity and telephone charges, living expenses and wages, along with a conducive constructive record of labour-management relations, contribute to the attractiveness of Manitoba as a place to live and to work and to expand business enterprise. One would hardly think that the Opposition lived in the same province that we do, but that is the reality, that in fact the business climate in Manitoba is very conducive to expansion.

I want to remind members that from 1983 to '87 - and I know just previously there were references made to the past five-year experience in this province - but in the past five years, non-residential capital investment in Manitoba increased by some \$980 million to just over \$2.7 billion. This increase of 56 percent in Manitoba was double the national average of 28 percent and second only to Ontario among provinces.

Mr. Deputy Speaker, private sector non-residential investment increased at an annual rate of 8.5 percent on average from '83 to '87, the same five year period that the Member for Lakeside was referring to, and this was the third-strongest growth among provinces after Ontario and Quebec.

Lastly, growth in investment spending of large firms in Manitoba is projected to exceed the national average in 1988 according to the latest federal Department of Regional Industrial Expansion survey . . .

**A MEMBER:** What's the growth in my area?

**HON. J. BUCKLASCHUK:** . . . and that is - well, I'll get to that. I'll get to that. Insofar as individuals are concerned, I'd like to look at a period for the past six years, for the period 1981 to 1987. It's rather interesting that disposable income per person averaged some \$13,840 in 1987. This increase of some \$4,500 per Manitoban since 1981 was second only to Ontario among provinces, and raised the total to 98 percent of the national average from 96 percent that existed in 1981 when the former government was in power.

Growth in disposable income per person is especially striking in contrast to what is happening in other western provinces which recorded declines in relation to the national average over the '81-87 period. Total personal income in Manitoba reached some \$18.1 billion in 1987, an increase of 7.3 percent, compared to the national average of 6.9 percent. Real average wages increased 0.9 percent annually in Manitoba, compared with an annual decline of 0.2 percent in Canada as a whole from 1981 to 1987.

Mr. Deputy Speaker, it's rather interesting that a couple of days ago I was looking at the population trends for Manitoba and, granted, we do have an increased out-migration from the province, but it is nowhere comparable to what happened from 1977 to 1981, and it's nowhere comparable to what is happening to Saskatchewan and Alberta today.

Mr. Deputy Speaker, as I indicated previously, this government has committed close to \$1.44 billion of the Budget, almost 32 percent of total spending to ensure continued provision of quality health care in the province, despite a lack of federal commitment in that area and a number of other areas.

Included in the program is a major new health care initiative which is a creation of a \$50 million health services development trust fund that I am sure will go a long way to providing the kind of services that Manitobans will be requiring into the future.

The fund will focus on preventative health and promotion, particularly on encouraging healthier lifestyles, and I do like what the Minister of Health refers to as we should be looking at wellness, rather than dealing with illness. This health fund will provide the initiatives to improve the availability of health services in rural and Northern Manitoba. This health fund will provide further development of community health centres and alternatives to in-patient hospital services and improvements in mental health services throughout the province.

As well, the Minister has announced an expanded out-of-province transportation policy which will be introduced, whereby critically ill Manitobans requiring

transportation to medical centres outside of Manitoba will be transported under the provincial Air Ambulance Program without cost to the patients.

I am indeed pleased that in this Budget the Minister has been able to announce a \$111-million increase in health care expenditures and, in our expenditures of \$1.4 billion, we have an increase of some \$42 million more for hospital services which will now reach some \$749 million, an increase of \$17 million for medical services, primarily visits to physicians, for a total cost of about \$251 million, an increase of \$12 million, and some 7 percent more to maintain personal care homes and to provide additional beds in 1988, for a total cost of \$178 million. I remember about 14 or 15 years ago when personal care beds became an insured service, so we're going from something like zero to \$178 million.

This Budget calls for an increase of \$12.6 million more for community health services, for a total of \$66 million, and an important part of this program is the Home Care Program.

Additionally, there is \$7 million for our Pharmacare Program, a program that was initiated in the Province of Manitoba. I think it first started off as about a \$4 million program. This year, it will total some \$38 million. Additionally, there is a \$1.2 million increase for disease control, including AIDS information, to a total of some \$5 million. So, indeed I know that most Manitobans are very pleased with the way this government has seen fit to deal with this very important health service.

We hear so much about the taxes that this government is requiring to maintain these services. To protect services vital to Manitobans, the Provincial Government must ensure that it has sufficient revenue. Our government, however, is committed to ensuring the revenue is collected according to the people's ability to pay, that the system is fair and progressive.

Just prior to my rising, I listened to the Member for Lakeside, who commended Finance Minister Michael Wilson for the approach that he's taking in holding down the Budget. What the Member for Lakeside didn't say is that a great part of the monies that are being required by the Federal Government to maintain whatever services they're providing has been at the expense of lower-income families; rather interesting that when our Leader, of whom we are very proud, yesterday or Saturday had indicated that the federal Conservative idea of tax reform is to have those persons with incomes in excess of \$100,000 a year to pay lower income taxes. For those families, working families, Michael Wilson has helped to add something like \$1,300 additional income taxes. That's how he's able to maintain or to reduce the Budget, feebly as it may have been.

Mr. Deputy Speaker, I think all rational Manitobans understand that, to provide services, you have to have taxes. I commend the Minister of Finance in Manitoba for bringing about a fair and progressive tax regime. A fundamental to the fair taxation is the principle that those who earn the least should pay the lowest taxes. Our progressive tax system, along with our tax credits, ensures that this is true. Comparisons of Manitoba taxes with those levied in other provinces shows that the goal of fair taxation is being achieved.

Mr. Deputy Speaker, the Opposition feels that they've suddenly uncovered something a few days ago, that there is an increase in the tax on net income that was announced in the last Budget, but there was no

reference to it in this Budget. I've taken a look at the increase in the tax on net income, and I've compared it. I've extrapolated the figures into the material that was provided to us by the Government of Saskatchewan in their Budget document. Mr. Deputy Speaker, with the increase that is to take place this year, the relative position of Manitoba taxpayers, compared to other provinces in Canada, will not change one iota.

Mr. Deputy Speaker, last week, the Minister of Finance made some references to what the tax situation will be for a person earning \$19,500 a year. I remember the front benches of the Opposition chortling away as if these individuals didn't exist. They are many, many Manitobans who are in that tax bracket. With the tax credits that are being provided for, with the increase in the tax on net income, the relative position of those taxpayers will not have changed one iota from last spring.

Mr. Deputy Speaker, we have no idea at this time what other Provincial Governments will do with their Budgets this year. We do know that Saskatchewan will likely increase their taxes. We do know that the Ontario Government has indicated that increases can be expected. We do know what Manitobans are facing and, for a taxpayer with a total income of \$20,000 per annum in Manitoba - I'm reading from the Saskatchewan document which I think is quite appropriate. A Manitoban with an income of \$20,000 per annum will have taxes and total charges which will be the second lowest in Canada, even with the addition of the increase in the tax on net income.

For the taxpayer who has an income of \$35,000 per annum, last year that taxpayer, when one takes into consideration total taxes and total charges, will rank third amongst Canadian taxpayers. Even with the increase in the tax on that income, that individual will still be third in Canada. Even at the higher-income levels, for a person with a \$50,000 total income, last year that person ranked fourth amongst taxpayers in Canada. With the increase in the tax on that income, that person will still be fourth, and it will be considerably less than what Ontario has at the present date.

So let not the Opposition believe that Manitobans are somehow highly taxed. We do have a fair tax regime. We do have amongst the best level and quality of services in Canada.

The Member for Minnedosa says, listen to what the Manitobans are telling us. Some members of the Opposition dealt with the real issues and, instead of trying to misinform, dealt with facts as they really are. The Member for Minnedosa and a number of others raised a question as to, well, what about highways? What about highways?

Mr. Deputy Speaker, before I respond to the highways issue, I do want to make some reference to a communique from the Canadian Advisory Council on the Status of Women which has nothing to do with the NDP Government in Manitoba, but it's a publication of theirs and they do make some reference to the federal tax, to the Budget. I quote, they say: "In addition, this Budget failed to recognize that, while 850,000 low-income people will be taken off the tax rolls by tax reform proposals . . ." - I know the Opposition pats itself on the back for Michael Wilson's fine performance. What they don't say is that at least a million low-income Canadians have joined the ranks of taxpayers over the

past six years as a result of the limitation on indexing of the tax system. So it's fine to talk about the 850,000 who won't be paying taxes but, to be honest about it, one has to talk about the million who will now be paying taxes who were not paying taxes previously.

Mr. Deputy Speaker, there was a question raised about the Highways budget this year. I want to preface that by making reference again to Michael Wilson's latest Budget, in which he announced an additional 1 cent per litre gasoline tax. Now, it's rather interesting. The Federal Government imposes a 7 percent tax on long distance calls. It takes \$20 million out of the pockets of Manitobans, not a word from the Opposition and no service being returned to Manitobans. But, Mr. Deputy Speaker, here we have the Federal Government announcing an additional 1 cent per litre tax, which I believe now amounts to 10.9 cents a litre, and what do we get back for it? Well, let me just tell you what we get back for it.

The increase in the federal fuel taxes will increase the difference between what the Federal Government takes from highway users in the form of tax revenues and what it spends on the highway system. In Manitoba, the difference is considerable. For the 1985-86 fiscal year, federal fuel tax collections in Manitoba were estimated by the province to be about \$130 million, and that's net of tax rebates and tax refunds.

You know, Mr. Deputy Speaker, most Manitobans think that there is a federal contribution towards improvements on Highway No. 1 or Highway 75 or any major highway undertaking in Manitoba. There has been no contribution to the Manitoba highways system outside of a small contribution to the Yellowhead, which the Federal Government could not have avoided since it happens to go through Edmonton and that happened to be in Cabinet Minister Don Mazankowski's riding. So it wouldn't look very good to have tens of millions of dollars poured into Alberta with the Yellowhead, or into Saskatchewan and not into Manitoba.

The reality, Mr. Deputy Speaker, is that federal payments to the Province of Manitoba for road programs were only \$1.5 million in '85-86, but Ottawa took out \$130 million. They gave us \$1.5 million and they took out \$130 million, so we have \$128.5 million being taken out of Manitoba motorists' pockets and nothing coming back in return. Mr. Deputy Speaker, that disparity has not significantly changed in subsequent years and will only worsen every time federal fuel taxes are increased.

I am very pleased, Mr. Deputy Speaker, to advise this House and Manitobans that at the recent Ministerial meeting on February 12, which I was unable to attend because of the lack of cooperation from the Opposition, all the Ministers of Highways across Canada are now calling on Ottawa to participate in a national highway policy whereby they return some of these revenues back to the provinces where they came from and stop this nonsense of providing hundreds of millions of dollars to Quebec and Nova Scotia where they deem it to be politically advisable to spend monies for very political reasons.

Mr. Deputy Speaker, the fuel tax increases announced in this federal Budget will mean that users of Manitoba highways will have to make a larger contribution to the funding of federal programs which are not highway-related, and it's about time that all motorists in Manitoba

called on Ottawa to return some of that money that they are taking out of our pockets.

Mr. Deputy Speaker, the Opposition lives in some kind of a make-believe world as if nothing is happening in any other province - a "let's pretend" world. Mr. Deputy Speaker, let's take a look at what's happening in Saskatchewan. In 1987, as a result of a Conservative Budget, what happened? They fired 142 technical institute instructors. They cut the funding for school divisions by 1 percent, and yet I'm sure in Manitoba we haven't got enough this year with the 3 percent or 4 percent that's been added to the Budget.

Last year, the Provincial Conservative Government in Saskatchewan cut or froze the operating budget to the University of Saskatchewan at Regina. What's happened in Manitoba? We've added millions of dollars to the operating budgets. Last year, in Saskatchewan, hospital funding was frozen. Last year, community clinics funding was frozen. Education, there was a 3 percent cut in special funding to school divisions, a 3 percent cut to post-secondary education . . .

**A MEMBER:** Shame! Those are your friends!

**HON. J. BUCKLASCHUK:** This is in Alberta. These are also their friends, I guess. Yes, good old wealthy Alberta cut funding to Alberta schools by 4.7 percent last year. They also cut 3 percent in grants to acute care hospitals, a 0 percent increase in operating grants for extended treatment in hospitals, an increase of 28 percent in health care premiums. Mr. Deputy Speaker, I'm very proud of what our Minister of Finance has done this past Budget. We have not withdrawn support, cut support or frozen support to vital services that Manitobans have come to treasure.

Mr. Deputy Speaker, this Budget provides for a record \$783 million for education, an increase of 4.8 percent. Our commitment to improving the skills and knowledge of all Manitobans, and especially of our young people, is reflected through our continuing record of support of education.

Provincial funding to Manitoba's four universities will increase by some \$8 million, or 4.5 percent, to \$184 million. Total university financing also provides \$7 million in capital funding, including \$3 million for the second instalment of the \$20 million Universities Development Fund announced by the former Minister of Education last year. As part of the capital program, a \$2 million instalment of a five-year \$7 million package of capital project funding will be made to Brandon University.

Mr. Deputy Speaker, Child and Family Services will receive \$121 million, up \$20 million or 19.4 percent from 1987-88. I don't understand how the Member for River Heights can make any kind of comment that this government is not supportive of Child and Family Services.

Additionally, Mr. Deputy Speaker, increased support for children in foster care and for services provided by external agencies, the expansion of the Child Abuse Program, and more resources for day care in which Manitoba will continue to have the finest day care program to be found in our province.

This year there is a \$7 million increase, or 24.6 percent, which by far stands out rather remarkably in view of what the Federal Government has done. This

enhancement to our child care program reflects our continued commitment to assisting families with young children, particularly those with special needs.

Training programs for workers will be expanded. Our public not-for-profit day care system will remain the leader in Canada in terms of accessibility, in terms of affordability and in terms of quality of care.

Mr. Deputy Speaker, for members of a New Democratic Party Government, the provision of quality health care service, the health care available to all, is a basic commitment. The provision of quality health care is a responsibility which must be fulfilled. This Budget this year meets our commitment to preserve and to improve health care for Manitobans with \$1.439 billion in resources for 1988-89, an increase of 8.4 percent over the previous year.

Mr. Deputy Speaker, we're all aware that the cost of prescription drugs continues to escalate despite the assurances given to us by the Federal Government last year that there would be some sort of controls on prices. The Pharmacare budget in this year's Budget will be increased by \$7 million, or 23 percent, to \$38 million to help Manitobans with these costs.

Mr. Deputy Speaker, Manitobans have clear preferences about health care. They want more care at home. They want care within a supportive family and neighbourhood environment, and they also want preventative health measures. Last year, Mr. Deputy Speaker, some 25,000 Manitobans were served by our Home Care Program, the finest program of its kind in the country.

We have made a significant investment in community care and preventative health programs over the past few years. This development will be accelerated by a further increase of 24 percent, some \$12.5 million, bringing the community health services budget to some \$66 million.

Manitoba's Personal Care Home Program provides residential care for more than 8,000 Manitobans, mostly senior citizens, and it is well-deserved care for the individuals who have helped develop this province that we live in. Some \$178 million is allocated to the Personal Home Care Program in the forthcoming year.

Lastly, hospital services funding will increase by \$42 million, some 6 percent, to some \$749 million. Some 107 hospitals and community health centres are being funded through this expenditure and a high standard of care will be maintained and important improvements will be initiated.

Mr. Deputy Speaker, I have to think back to the criticism by the Member for River East, the deputy Opposition critic for Health, when she grandstanded about the announcement about the Provincial Government no longer covering 75 percent of the costs for out-of-province health costs. I think we missed an opportunity, Mr. Deputy Speaker, at that time to applaud all those involved in the Manitoba health industry for the efficiency, and that is involving management and health care providers, for our being able to provide the high quality of services that are being provided at such a favourable and comparable cost when one compares it to out-of-province costs.-(Interjection)-

Well, if the Member for Minnedosa wants to show his support for a \$20,000 increase in the salaries of doctors in Manitoba, he is perfectly free to do. But I should remind him there are tens of thousands of

families that don't even get that kind of an income on an annual basis. So if the member wants to support the outlandish demands by the Manitoba Medical Association, he is perfectly free to do so.

**MR. D. BLAKE:** A point of order, Mr. Deputy Speaker.

**MR. DEPUTY SPEAKER:** The Member for Minnedosa, on a point of order.

**MR. D. BLAKE:** Mr. Deputy Speaker, the Member for Gimli is trying to get on the record that I am in favour of doctors getting \$20,000 a year increases. I have said nothing about that whatsoever. He is going on glorifying the health care people for the wonderful job they've done and I can agree with that. I just asked him if he included the doctors in that little word of praise of his.

**MR. DEPUTY SPEAKER:** A disagreement as to matters of facts or opinion is not a point of order.

The Honourable Minister.

**HON. J. BUCKLASCHUK:** Thank you, Mr. Deputy Speaker.

I am indeed glad that the Member for Minnedosa rose in his seat and clarified his position to indicate that he supports the government's position and he joins with me in commending all health service providers, including . . .

**MR. D. BLAKE:** A point of order, Mr. Deputy Speaker.

**MR. DEPUTY SPEAKER:** The Member for Minnedosa is raising a point of order.

**MR. D. BLAKE:** Yes, a point of order.

The Member for Gimli is again not getting the facts right. He said now that I was agreeing with the government's position that doctors should only get \$3,800.00. I didn't say that at all.-(Interjection)- I may be somewhere in between.

**MR. DEPUTY SPEAKER:** That is not a point of order.

**HON. J. BUCKLASCHUK:** Well, the member has now again confirmed that he is somewhere in between. That's not unusual for the Opposition to be somewhere in between.

I am sure that he concurs with me that Manitoba health service providers, whether they be nurses or orderlies or doctors, ought to be commended for the fine quality of service that they are providing to Manitobans.

As a final comment in my address to the Budget, Mr. Deputy Speaker, I do also want to indicate the support that this government is giving to our farm economy which is very important to the total economy of the province. Since taking office in 1981, this government, the Department of Agriculture, has increased its expenditures from \$39 million to around \$90 million in this year's Budget, an increase of 129 percent.

Mr. Deputy Speaker, I think we all recognize that the agricultural community is facing some very difficult times but that there is a limit as to what the province can



do, and I commend my colleague, the Minister of Agriculture, for looking at ways in which we can, with the limited resources available to us, provide assistance where it is best needed, not the kind of assistance that Grant Devine provided in Saskatchewan where he tossed out \$25 an acre, holus-bolus, whether people needed it or whether they ran down to their banks and invested it, and now is calling back that money, is now subjecting some 800 farmers with court action to recover monies that they were given to believe were grants that suddenly the Government of Saskatchewan realized were loans, because that's what their rating agencies are asking them to do.

Whatever funds are available to my colleague are going to be spent in an effective way to assure that those in need of assistance will receive that assistance.

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

**MR. DEPUTY SPEAKER:** Our rules prohibit interference with the speeches unless it is on a point of order or a point of privilege.

**MR. J. DOWNEY:** Mr. Deputy Speaker, I wonder if the Minister would submit to a question.

**MR. DEPUTY SPEAKER:** The Honourable Minister.

**HON. J. BUCKLASCHUK:** Yes, Mr. Deputy Speaker, I'd be very pleased to submit to a question, providing I have some time at the end of my address here.

Mr. Deputy Speaker, I'm pleased that this year's Budget has reinstated a \$12 million Special Farm Tax Assistance Program, which is helping some 10,000 or 11,000 farmers with a reduction in school costs. I am pleased that this year's Budget Address has indicated the establishment of a stabilization program for feeder cattle. And I'm extremely pleased, as a former member of the Board of Governors of Brandon University, that the Minister of Finance has announced that there will be an establishment of a Rural Development institute at Brandon University, an institute which will conduct studies on a wide range of issues which are of concern to rural communities.

(Madam Speaker in the Chair.)

Madam Speaker, the Opposition takes great pains to try to inform Manitobans that this government is spending way beyond out of control. I wanted to set the record straight, Madam Speaker, and note that, in 1987-88, the expenditures on a per capita basis in Manitoba were \$3,847 and we ranked fourth on a per capita basis, slightly ahead of Ontario which was \$3,762 per capita, but the reality is that we ranked fourth and there were six other provinces that had a higher per capita expenditure.

Madam Speaker, if we are to maintain services that Manitobans require, then we do have to tax fairly, progressively, and expenditures must be made. There are so many occasions that members of the Opposition make reference to the total indebtedness to the deficit. We believe it is important to build for the future, where long-term benefits balance the borrowing costs of such investment.

Madam Speaker, Opposition members are very aware that, if you're in business, if you're a farmer, you don't

necessarily hesitate to buy a \$100,000 combine, because it's a long-term investment and you know that in time that investment will more than pay for itself. In the same way, governments do go into debt because they do have to concern themselves with long-term benefits.

Madam Speaker, Manitoba's total debt is about \$500 per person less than Conservative Saskatchewan. Our debt ranks fourth highest among provinces, as I noted, and in contrast the last Conservative Budget in Manitoba in 1981 - this is the Lyon administration - reported that Manitoba's debt was some \$1,794 per capita more than in Saskatchewan and the second highest on a per capita basis among the provinces - very short memories that these members of the Opposition have.

The majority of Manitoba's total debt is self-sustaining and costs are paid for from investment income. As I indicated, Madam Speaker, debt-servicing costs paid by taxpayers remain in the mid-range among provinces. In 1987-88, five provinces had higher debt costs per person than Manitoba. You would think, Madam Speaker, that the deficit was totally out of control the way that the members of the Opposition speak.

Madam Speaker, in fact the deficit is not out of control. The province is in fact managing its fiscal resources effectively and the deficit, I'm pleased to say, has been reduced for the second successive year. I know that the Opposition finds it rather difficult to accept so, rather than dealing with the issue, with the fact that we do have a lower projected deficit than what was announced last spring, they make an issue of the date on which the Third Quarterly Report was tabled.

Madam Speaker, Manitoba has done a much better job than the Federal Government in reducing its deficit. The Federal Government, attacking lower-income families, has boosted its revenues but has done, relatively speaking, an abysmal job in reducing its deficit. In 1987-88, our deficit has declined by 29 percent, and Michael Wilson boasts of his 4 percent reduction. Furthermore, Manitoba's net budgetary requirement, that is our deficit for '88-89, as a percentage of total government expenditures and revenues, will be lower than the last Conservative year under Sterling Lyon, and the year that this government took office. Madam Speaker, spending will be 7.3 percent in '88-89 compared with 10 percent, 10.3 percent in the last year of the Lyon administration.

Finally, Madam Speaker, the question: Does Manitoba have the highest debt load in the country? Again, the answer is no. Total debt per capita is the fourth highest in Canada, and our debt-servicing costs, as a proportion of budgeted expenditures, is approximately equal to the national average. As I indicated in 1981, Manitoba's debt per capita was the second highest among the provinces.

Madam Speaker, those are my remarks. I again want to commend the Minister of Finance for the fair, progressive Budget that he has introduced this year, while at the same time bringing about a debt reduction in our deficit, and maintaining and enhancing those services that Manitobans have come to expect and they so very much deserve.

Thank you, Madam Speaker.

**MADAM SPEAKER:** The Honourable Member for Arthur, with a question.



**MR. J. DOWNEY:** Yes, Madam Speaker, the member indicated that, if he had time at the end, he'd submit to a question.

**MADAM SPEAKER:** The honourable member has used up all his time.

The Honourable First Minister.

**HON. H. PAWLEY:** I'll forego for the Member for . . .

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

**MADAM SPEAKER:** Order please.

### HANSARD CORRECTION

**MADAM SPEAKER:** The Honourable Member for Pembina, on a point of order?

**MR. D. ORCHARD:** Madam Speaker, I wish to make a Hansard correction, page 505. "I remind my honourable friend, the Member for Flin Flon, again what he told me in 1982 in this House that a \$5 million deficit was manageable." That is not correct. It was a \$500 million deficit that the Member for Flin Flon had indicated was manageable back in his fledgling years as a new member of this House. I'd just like to have Hansard corrected. It was not a \$5 million deficit; it was a \$500 million deficit, Madam Speaker.

Thank you.

**MADAM SPEAKER:** Excuse me, I'm a bit confused. Did Hansard misprint what the member said, or the member is now changing the numbers that . . . ?

**MR. D. ORCHARD:** No, Madam Speaker, it certainly would have to be a misprint, because earlier in my speech I reminded the Honourable Member for Flin Flon, on page 504, "A \$500 million deficit is manageable," and so it was a misprint. I either misspoke it or it was misunderstood, but I don't want the record to show that the Member for Flin Flon agreed that anything but a \$500 million deficit was manageable.

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

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

It is a privilege to participate in the Budget Speech of 1988. Madam Speaker, I was not able to take part in the Throne Speech Debate. However, at this time, I would like to take the opportunity to wish all members of the House well, especially my colleagues on this side of the House, and especially for their fine efforts during the Throne Speech Debate.

However, I must express my disappointment with the Member for St. Vital. His mind games with the people of Manitoba disappointed me immensely. I would like, however, to individually wish the members opposite well, though collectively as a government they have failed the province miserably.

Madam Speaker, I would at this time thank the constituents of Riel for giving me this responsibility. Since our last Session, Madam Speaker, I have called on residents of Riel, and maybe I can share with you some of the comments I received on my door-to-door

canvassing. Madam Speaker, some of the comments are, in the next 10 years, it will cost me an extra \$50,000 to \$100,000 to live in Manitoba. However, at that time I will be in a position to leave. However, Madam Speaker, he goes on to say, unfortunately my children and grandchildren will inherit a huge deficit and a stalled economy here in Manitoba.

Another comment was, our Provincial Government is making the people, their great country, feel frustrated, taking away their ambition to work at all. Madam Speaker, another good comment at the doors was, please remove the word "subsidy" from all NDP encyclopedias.

Another comment that was made at the door in the many days that I travelled throughout my constituency, one of them was, the majority - and I thought was very, very true to this particular government - the majority of government Ministers in the Legislature are having difficulty answering any questions, due to the fact that they don't have control of their departments.

Madam Speaker, another comment was made to me, and this one is, "We must get rid of Pawley and his flunkies. The waste of money, through management of Crown corporations and government programs, is ridiculous. It makes me so sick to see the NDP waste all our money."

Madam Speaker, one that I received was, "enough is enough. It's not enough to describe the political tax rape the Manitoba government is forcing on us. Perhaps it's time we seriously considered leaving the province before taxes do put us into the streets."

Madam Speaker, because I came across quite a few different people in the area, one other was, "It is no secret my buying power is getting smaller and smaller all the time. I earn more than I did three years ago and there just seems less and less to go around. As a single parent with two children, the pinch really hurts."

Madam Speaker, one last comment from these people at the doors - and this one was my favorite - and who says Banana Republic economies are elsewhere. "As a middle-income, middle-aged professional, I am seriously concerned that if this is the price for democracy, then we are collectively irresponsible and will soon be equivalent in status to most of the Third World, which is broke."

Madam Speaker, very soon - and I believe it - the whole province will be the Opposition and the government will be out. Madam Speaker, I would like to compliment our Leader on his very accurate and constructive statements during the Throne and Budget Debates, especially his call for the necessity for the by-election in St. Boniface, his emphasis on the highest taxes in Canada, the soaring cost of utilities and services, the waste of taxpayers' dollars and the never-ending stream of incompetence and lack of vision from this particular government.

Madam Speaker, it is no secret that our Leader will soon be Premier and take on the responsibilities that the people of Manitoba will place in his very capable hands. Madam Speaker, as a critic for Consumer and Corporate Affairs, Sport and Deputy Critic of Urban Affairs, I will touch briefly on my concerns now. However, during this Session we'll have many opportunities and they will provide ample opportunity for input during resolutions and the Estimates process.

Madam Speaker, as Sport critic, I'd like to go on record as congratulating all the Manitobans who

participated and contributed to the very successful 1988 Calgary Winter Olympics. Manitobans were not only participants, but also served as judges, medical staff, games officials and coaching staff.

We as Manitobans should be proud of the performances of Vaughn Karpan of The Pas and Bob Joyce of Winnipeg for the participation in the ice hockey; Lorna Sasseville of Winnipeg for cross-country skiing; Lyndon Johnston of Hamiota for pairs figure skating; Paget Stewart of Winnipeg for the biathlon; Greg Haydenluck of Emerson, Cal Langford of Winnipeg, Peter Robertson-Stovel of Winnipeg for participating in the bobsled.

Madam Speaker, there were two residents who participated in the new demonstration sports: Susan Auch of Winnipeg for short-track speed skating, and our gold medalist winner, Patti Vande of Stony Mountain for curling.

Contratulations are in order also for the City of Calgary, which was a true winner in hosting the games and showing a profit of \$30 million that will be reinvested back into Canadian amateur sport.

Madam Speaker, I know we'll have plenty of time during the following debates on the resolution on free trade. However, since it affects the consumers in Manitoba, I will briefly note several things in regard to free trade.

Before doing that, I noticed that in the Throne Speech there was a notion of some kind of business practices act that will be coming forward to protect the consumers. Some of the most significant increases facing consumers since the NDP came in power are in Autopac, telephone and hydro rates: MTS, 50 percent under NDP; Hydro, 40 percent under NDP; Autopac, 50 percent to more than 100 percent under the NDP; Workers Compensation, more than 100 percent under this particular NDP Government.

Madam Speaker, I'd like to ask the Minister: Will Crown corporations be subject to any provisions of whatever this business practices legislation will entail, since they have socked it to the consumer ever since the NDP came into power?

Madam Speaker, back to free trade, I noticed in the remarks that were put forward by the Attorney-General that he took most of his allotted time for speaking on free trade. I was surprised that he used this allotted time when he knew it, when he introduced his speech, that he had spoken many times on this topic, especially during the resolution put forward by the government. I felt, as the Attorney-General and previous Finance Minister, that he'd want to talk about this particular Budget. He did not take that opportunity to do so. I could not figure out why he did not take that opportunity to speak when he will have the opportunity to speak on the particular resolution.

I look forward to participating in this resolution and I will show in great detail when we get to the resolution, as Consumer and Corporate Affairs critic, what a good deal free trade is for Manitoba's consumers, Madam Speaker, lower prices, for example, elimination and reduction of tariffs in food and clothing and upped as high as computers. Some tariffs are currently as high as 25 percent. Such trade barriers, I feel, act as a tax on consumers.

Students will find a 20 percent tariff on textbooks imported from the U.S. eliminated. This means reduced

university and college costs. Increased business opportunities, free trade will also give Canadian industries and producers free and equal access to the much larger U.S. market, particularly Manitoba directly to the south. This means we will be able to produce more goods at one time and, the more we produce at one time, the more cheaply it can be done, so lower reproduction costs mean lower prices to the consumer. In this more efficient and competitive climate - and I repeat competitive climate - business will pass on the savings to the consumer.

Madam Speaker, more choices - consumers will also benefit from the wider choice with more goods available to Canadians. Business will be more likely to offer the lower prices and better service in order to succeed.

Madam Speaker, higher disposable incomes, an example is - and this particular government, many members are getting up and they seem to like to talk about housing starts, which they didn't want to do many years ago when all they wanted to do was talk about the urban limit line.

However, they seem to want to get up and brag about the housing starts. Even the Minister of Education remarked on February 19, the Minister bragged about this government's involvement in housing starts. Based on his remarks, he should be overjoyed with the agreement that would have Manitobans purchasing and furnishing and, while doing that, saving up to \$4,500 on present prices of materials, another \$3,500 on furnishings, equipment and appliances that they would buy for that particular home.

In light of this, why does this government attack this plan? Are they simply misinformed, or are they standing up for their federal counterparts, or perhaps protecting Ontario, especially Mr. Broadbent's riding of Oshawa?

Madam Speaker, it's quite surprising - they claim they are representing labour - that when in the United States, and I'll quote from an article, The Financial Post dated February 22, '88. It says: "Politics intrudes on trade deal," and the opening paragraph, I quote: "The good news is that leading Democrats in the U.S. Congress have told the White House they will push for passage of Canada-U.S. free trade bill before Congress rises for the upcoming presidential election."

Madam Speaker, it seems quite ironic that these people are willing to do that before the presidential election in the United States. In the weeks to come, Madam Speaker, as I previously suggested, I will look forward to the debate on this resolution and we'll get into it more in detail.

Madam Speaker, as critic, I mentioned several concerns of the consumer public, some of which I highlighted, which I like to highlight, and especially one of them which I've brought up at Estimates time the last couple of years, and that would be the "lemon laws." There was a recent article in the Sun which was the 4th of the third month, '88, where car buyers need labelling laws to put the brakes on fast-talking salesmen and lemon laws to keep vehicles rolling once they hit the road, the Automobile Protection Association says.

Madam Speaker, I hope this article reinforces the emphasis that I, as critic, have made to the Minister of Consumer and Corporate Affairs during these previous Estimates. I hope he and his staff, as he told me, have taken the opportunity - they told me they would take the opportunity - to study the Ontario Motor

Vehicle Arbitration Plan. I hope he has taken time to study that program and come back with some type of recommendation from this particular government.

The other concern expressed by myself during these Estimates were the Travel Agents' Protection Plan, the necessity for which recent airline labour disputes in December has emphasized the importance. It is important to note that this plan would have probably protected travelling consumers, especially on package plans. I look forward to the Minister's answers to my concerns during the Estimates.

Madam Speaker, the City of Winnipeg over the past five years has done a reasonably good job in controlling its costs. However, the Provincial Government has continually penalized them for being good managers. This theme is being shown in their latest Budget. For example, the city has had a constant battle dealing with its long-standing agreement re the 50 percent funding of transit deficit and, under this government, the City of Winnipeg has received a shortfall between \$700,000 and \$800,000, again the province renege on its agreement with the City of Winnipeg and the ratepayers.

Madam Speaker, it was also mentioned in the Budget the shortfall, and the result of the shortfall will be the \$2 million for the administration of education finance, another blow by this particular government to the City of Winnipeg in this Budget. The city's participation in the income tax and capital program, which is the only tax the city receives benefits from in terms of growth - they've received it for years - has now been capped at a 3 percent limit, destroying the whole concept and destroying the only factor that the City of Winnipeg participates on a growth factor.

Madam Speaker, it was interesting to note in the remarks made on March 3 from the Member for Rossmere, page 465, that the member mentions - he said, ". . . seems happy that there will be a bridge spanning the Kildonans." I'm glad he feels this is an important bridge. The City of Winnipeg has felt it's an important bridge. I wish the member would have shown the same enthusiasm in the planning stages and not tried to take credit after all the planning has been finalized by others. By first-hand information, I know that Councillor Don Mitchelson and the Board of Commissioners and the City Council are the true key people in the project.

Madam Speaker, during my first two years in this Assembly, I have avoided participating in discussions concerning MPIC and Autopac. However, considering comments made during the Budget Speech by the Member for Inkster and the Minister of MPIC regarding myself and probably other agents, I feel these comments forced me into the arena. When you consider, Madam Speaker, that farmers can debate farming, lawyers can become attorney-generals, teachers can become ministers of education and indeed their input is praised as being valuable and necessary, why should agents be silenced?

Madam Speaker, comments found in Hansard on page 446, March 2, from the Minister responsible for Autopac, indicate that the Minister asserts that agents would be involved in mouthing innuendo and false information while they're serving the public. This type of statement bothers me, and it probably bothers all agents who are in the workforce. As an agent

representing MPIC since the inception, I know that this does not go on. Yes, I participated in the Bill 56 demonstrations in 1970, and I'd do it again if there was something coming forward that was interfering with my family. I'm no different than any other member in this Assembly who would defend his family and his philosophy when it affects his business and his family. Madam Speaker, I must go on record, and most agents would go on record, that I have treated MPIC as I would any other company that I represent. I reserve the right to criticize any company on business grounds, as opposed to political ones.

Madam Speaker, I remember when Autopac or MPIC first came in. We all accepted it in the agency field. I remember that, when they came in, there was a place for them in the market and there still is a place for MPIC in the marketplace. My agency and many other agencies in Manitoba have supported that market with selling MPIC's product. MPIC records will indicate that continued support.

I know how ruthless insurance companies were to Manitoba agents at the inception of Autopac. My criticisms would not relate to the product offered or management, but to the political interference of this government and especially recently in December and January, and especially during the last couple of weeks of January.

Madam Speaker, I can accept the Minister's comments on the basis that he does not understand the agency system. However, I take exception to the comments from the non-entrepreneur Member for Inkster, and his ignorance of the business.

Anyone who has stood behind a counter during a customer rush realizes that it is no place for political discussion. I also take exception that any agent would be accused of bad-mouthing the insurance company he represents. My job and the job of agents is to maintain a loyal relationship with my insurers, in the knowledge that it is only through coordinated action that an orderly insurance market can be achieved. The Member from Inkster could not relate to this, as he has never been in business, and this hence is why he probably never will be.

His other comments concerning agent remuneration also demonstrates his ignorance. The member would do well to learn how to read a financial statement. Madam Speaker, he mentions in the article about the agents' commissions being \$11 million, and the total administration fee being \$10 million. He fails to point out, Madam Speaker, in this statement, that there are also expenses, in the claims expenses, of another \$27 million. He fails to mention that.

Madam Speaker, the financial statements of all insurance companies indicate commissions to agents exceed administration expenses. The point here that I'm trying to make is that no company has found a more cost-efficient way to market and service its clientele. Believe you me, with all the insurance companies around and the length of time they are around, if there was a cheaper way than the agency for a system, it would have been done and they would have done it long ago.

Madam Speaker, the member also mentions having Judge Kopstein check these remunerations. I submit to the member that the Insurance Brokers Association would like nothing better than to have a long overdue review of their remunerations.

Madam Speaker, this government's handling of Autopac was, by most, inept since the creation of the public corporation. The cause was nothing more than, as I mentioned earlier, political interference by this Provincial Cabinet. The state of the confusion that resulted from Cabinet involvement emphasizes a need to have Autopac's rates administered by the Public Utilities Board. The necessity for the rushed creation of merit premiums, preparation of complicated new forms, the resulting lengthy customer line-ups and bad feelings by the public were all symptoms of this much deeper problem. The confusion caused by the necessary changes, and the overall effect on consumer spending would indicate the necessity to Judge Kopstein's committee to examine the feasibility of staggered renewal dates.

Madam Speaker, it was unbelievable, the forms that were brought out by the truckload during this Autopac renewal period. The forms that they brought in when they first called the agents into their classes in the middle of January, they said we have a new form here, it's called 102. When we send out the simple renewals, you will have a short form you'll fill out this year. It will save you all this paperwork. That was in the middle of January. Then all the other forms started to flow into the offices without advising any of the agency force, without advising them of any of these particular forms.

Madam Speaker, the loopholes that came about in regard to the merit system, the out-of-province people were ignored. The people who moved out of the province, who had paid into the plan and moved out for two years and maybe paid into the plan for 13 years previous, do not qualify. Madam Speaker, the 98 categories of small trucks, Mom and Pop stores, they don't qualify. Yet if they have an accident, they'll certainly charge them for the accidents.

Madam Speaker, probably one of the most unusual ones was question 3 of the merit premium form and in a lot of areas in Manitoba unfortunately it was only done in English, not in French and English. However, on question 3 it asks: "Have you had your current vehicle and any previous vehicles, if replaced, registered under one of the eligible insurance uses for a total of eight months between March 1, 1987, and February the 29?"

Madam Speaker, all a person had to do in this particular case, if he had bought a car four months ago, is just substitute it for the other one, substitute it for the one he owned for five years, and then do a plate replacement on that particular car.

Madam Speaker, the statement filed by MPIC - '87 annual report that was filed most recently by the Minister - MPIC is looking for that change. Every year, it seems they bring out a statement and they file it to suit their underwriting expense ratio. These statements more closely resemble psychologist reports as they have more personalities than Sybil.

Madam Speaker, maybe I'll address a few points that are in this particular report. If you take a look at the report, would you believe that their last underwriting loss or profit was in 1979 and it was \$20,000.00? The last time investment income was able to offset underwriting loss was in 1981. Madam Speaker, what shows in these reports is that, not like other insurance companies who also produce underwriting losses but, however, have investment incomes that offset these

particular losses, since 1982, the General Insurance Division has cost Manitoba taxpayers \$55 million.

Madam Speaker, some other information that I would like the Minister to answer: Could the Minister please tell me that in filing his insurance premiums with the superintendent of Canada and the insurance business, why all of a sudden in 1985 did he transfer \$9.111 million from Autopac into the General Insurance Program? Again in 1986, Madam Speaker, they took \$13.174 million from Autopac and transferred it to the General Insurance Division. How come in all the previous years there were no monies reported coming from the automobile into the Manitoba Insurance Corporation?

Madam Speaker, this is a profitable business. Why is it not left to Autopac to help reduce the cost of the basic Autopac program? How much SRE was transferred from Autopac in 1987?

Madam Speaker, there's also mention by the Minister - he mentioned comparable expense ratios. He mentioned the General Insurance 1986 business. Madam Speaker, I wish the Minister had gone back and did his homework. If he went back and looked at the private companies with Manitoba offices, he would have seen that, out of probably a dozen companies: the Cooperators were around 27 percent; Wawanesa, 27 percent; General Accident, 29 percent; the Royal was at 31; Federated Mutual at 32; Advocate General was at 32; Commercial Union at 33 percent; Mennonite Mutual, a small company, still ought to be able to operate at 34 percent; and the Prudential at 34. MPIC, General Insurance Division, was 40.9 percent.

Madam Speaker, not only is that, but private companies have no assumed reinsurance, which greatly reduces the expense ratio at the General Insurance Division. Madam Speaker, private companies have nothing like the SRE premiums given to this GID, or the General Insurance Division, the last couple of years. They have nothing like the \$13 million that was given to them in '86 but not even mentioned in the MPIC '87 Annual Report, which also greatly reduces the expense ration. Madam Speaker, without assumed reinsurance, and SRE expense ratio at the General Insurance Division already poor, it would be humiliating to a private company. How will the General Insurance Division overcome 1988 expense problems with no assumed reinsurance income?

Madam Speaker, in closing, I would like maybe to quote from the MPIC Report that, according to the statement that they've been filing, there shows some type of indication, Madam Speaker, of taking Autopac monies and moving them over to the General Insurance Division.

Madam Speaker, I would like to also though, in closing today, quote from The Financial Post dated February 29, 1988. "Manitoba's Budget eyes borrowing costs." And I think that the whole emphasis on this particular Budget has been the borrowing cost. It's been emphasized by many members on this side of the House is that it's due to the deficit financing that is causing this government to not only cut back in services but also not be able to increase their services.

Madam Speaker, the Budget brought down, and I quote, February 26: "Finance Minister Eugene Kostyra said, 'The debt service costs per capita in Manitoba, at \$424, are half of Newfoundland's \$810 and close to the \$405 average of all provinces.' Using 1987 figures, he claimed that Manitoba's debt per capita was \$7,720."

Madam Speaker, the per capita debt figure is based on the cost of debt when incurred, not its value adjusted for a higher value of foreign currencies in which it has to be repaid.

"On January 29, Manitoba's exchange adjusted debt was \$10,032 per capita, the highest by far of any province, using the government's own table." It goes on in the same article, "Manitoba has among the most aggressive personal income taxes of any province: 54 percent of basic federal tax plus a surtax of 20 percent on basic provincial tax over \$2,590 and another 2 percent of net income on all that. Manitoba's tax revenues . . . - and we've been reading about it - ". . . have risen by three times the rate of inflation since Howard Pawley's NDP Government took office in November 1981."

Madam Speaker, no wonder these members have been avoiding speaking about the Budget. Many members have gone up on that side of the House and avoided speaking about this particular Budget. " 'He, Kostyra, held the line on taxes and tried to bluff away the deficit,' commented Michael Hill, first vice-president of the Winnipeg Chamber of Commerce."

Madam Speaker, the people on the street and the press have emphasized, along with my colleagues, the damage done by this government to the present and future generations. Madam Speaker, the legacy of this government will be the one of debt. Just for the record book, based on the debt load of this province, in the time it took me to present this speech, \$31,250 in interest was paid by this province on outstanding debt.

**MADAM SPEAKER:** The Honourable First Minister.

**HON. H. PAWLEY:** Madam Speaker, thank you very much for recognizing me on this occasion. It gives me, Madam Speaker, pleasure to have the opportunity to rise in my place to speak to the Budget that was tabled in this Chamber by the Minister of Finance on February 26.

It gives me also pleasure, Madam Speaker, to speak because I can say with full and complete confidence, as First Minister of this province, that this Budget that my Minister of Finance and my government has presented is one that represents a sincere commitment to the people of the Province of Manitoba, to their desires and to their wishes for this year and years to come. My Minister of Finance, I thought, dealt with this whole matter quite eloquently when he introduced the Budget.

I noticed, Madam Speaker, the uneasiness of honourable members across the way. I recognized their insecurity in dealing with the Budget ever since because, Madam Speaker, it's very difficult for honourable members across the way to find anything to criticize insofar as this Budget is concerned.

Madam Speaker, what we have done by way of this Budget is provide a document that is fair, that is more equitable insofar as ensuring that we improve our relationships, individual to individual within the Province of Manitoba, and families within Manitoba itself.

During the past 10 days, the New Democratic Party members of this Chamber, one by one, have stood in their places and they have outlined clearly for all the various qualities which make up this Budget, a Budget

which deserves and warrants, I believe, the acceptance and the support of all members in this Chamber, not just the members on this side but the members across the way as well. In fact, Madam Speaker, I think that it's only a matter of time before some honourable members across the way will see the light and will provide endorsement to the kind of measures that are provided for in this Budget.

Madam Speaker, the honourable members on this side of the Chamber have put on the record the overall social and economic context within which this Budget was prepared and presented to this Chamber, the reality that exists in Manitoba and within Canada.

I will spend only a brief time, Madam Speaker, dealing with the main elements, the main factors, that were outlined by colleagues on this side of the Chamber and addressed by colleagues on this side of the Chamber insofar as this Budget is concerned.

No. 1 was the fact that expenditures on programs and services are expected to increase by some \$284 million in 1988-1989.

Secondly, Madam Speaker, approximately 80 percent of the increase is earmarked for Health, for Education, for Community Services and for tax credits. Madam Speaker, I believe those are the very priorities the people of the Province of Manitoba desire this government to deal with, and this Budget has reflected the priorities of ordinary Manitobans.

Thirdly, these increases have been accomplished without the need for any significant tax increases, while at the same time it has allowed us to reduce the provincial deficit - and I say this to honourable members across the way - while at the same time we're able to lower the provincial deficit to the lowest level it's been at in six years.

Madam Speaker, we'll be delighted in a few moment's time to discuss this Budget with the Budget of the western Tory provinces whose deficits have gone up while this deficit in this province, governed by the New Democratic Party, has gone down.

Establishing, Madam Speaker, our priorities for the coming year has required us - and let there be no doubt about this, it's not been easy. It's been difficult, and I can tell the honourable members that the hours and the days and the weeks that we've spent in regard to the Estimates process has not been an easy task, but it has meant that we had to hold the line in other areas of government expenditure. Spending growth in six departments has been limited to 3.5 percent or less. In six other departments, spending for the coming year will actually decline relative to the current fiscal year.

**A MEMBER:** Shame!

**HON. H. PAWLEY:** And the honourable member says, "Shame!" I'll be coming to this later on because honourable members want to have it all ways, Madam Speaker, and you can't have it all ways in the present circumstances. That reflects the lack of reality, the confusion, the duplicity on the part of the Opposition in this Chamber, Madam Speaker.

**MR. F. JOHNSTON:** You can have it all ways if you're a good manager, Howard.

**HON. H. PAWLEY:** Well, Madam Speaker, I'm not going to engage in a two-way debate with the Honourable

Member for Sturgeon Creek, except if we need friends like those good managers that were in the Province of Manitoba between 1977 and 1981, we sure as hell don't need enemies in this province. We sure as hell don't need enemies if you call those folks who were in charge in 1977 to 1981 good managers. That is a legacy, Madam Speaker, that the people of the Province of Manitoba have condemned and they will continue to condemn in the future.

Madam Speaker, providing more monies for health care, for essential services, has meant that we've had to implement actual cuts, we acknowledge, on some programs and in some departments, but these decisions were difficult. They'd been geared to dealing with the larger objective and that is to ensure that those areas in which Manitobans, as a whole, give greatest priority to are maintained and improved so that this Budget evolves out of a process of discussion, of strategic development. Improvements have been accomplished in a way which ensures the improvement and more equitable formation of our taxation system.

I'm going to put on the record, Madam Speaker, yet one more time the inescapable truth that Manitobans deserve to hear by which members opposite remain deaf and remain blind to. Our New Democratic Party Government's taxation policies ensure greater fairness for everyday people. Madam Speaker, I know honourable members across the way don't like to hear this, but I'm going to continue to raise this. I'm going to continue to repeat it until hopefully some of these will sink into whatever mental consciousness exists on the part of honourable members across the way.

Saskatchewan Budget, June 1987, issued by the Saskatchewan Government, the Devine government, the Province of Saskatchewan, compares tax and charges from province to province. Their finding was - and I think, Madam Speaker, we should table not this document, but table this page, because honourable members don't seem to ever reflect upon this page. They prefer to ignore the information that has been provided to them repeatedly, not just by myself but by other members in this House. They look embarrassed because they know, Madam Speaker, that what is contained within this document verifies the point that has been made again and again by this New Democratic Party Government in the Province of Manitoba. What this document indicates is that, for a taxpayer with total income of \$20,000 per annum, when you add all taxations, not just one form of taxation but all taxations, Manitoba's taxation and charge rate is the second lowest of all provinces in Canada.

Madam Speaker, let's go on - \$35,000 per annum, we're looking at the third lowest of all provinces in Canada; \$50,000, which must be the average middle-class resident of the Province of Manitoba, we're still the fourth lowest of all provinces. Madam Speaker, we have Conservative provinces here like Newfoundland and Nova Scotia - I was going to say New Brunswick, but of course that changed just a short time ago - with higher tax levels, along with the Liberal provinces to the east of us.

Madam Speaker, I say that's not a bad record; I say that's a good record of ensuring those with the lowest means are treated the most fairly in our society. Madam Speaker, what honourable members don't recognize that the ordinary Manitoban on the street, in the farm,

in the factory, in the office, they know that, if we had a Conservative Government in this province, if that dire day should ever occur again, the equity that I have referred to in this Saskatchewan document reflecting the Manitoba tax and charge basis would be way in favour of those with higher incomes, as indeed was the case with the Wilson Budget in Ottawa - and I thought the Minister of Finance and the Minister of Transportation dealt with that extremely well this afternoon - and those with lower incomes would pick up disproportionate the amount of responsibility as far as taxation and charges were concerned. The people of Manitoba know that and, Madam Speaker, that is an indictment of the Conservative Party from one end of this country to another insofar as their unfairness and insofar as their taxation system.

Members opposite like to pretend that they care about tax reform, fair taxation policies. If they truly believe in this concept, which we know they do not believe, they need look no further than what has been a practice in Manitoba under New Democratic Party Governments. We have maintained the fairness of our tax system while, at the same time, we have been able to launch major new initiatives in order to benefit the people of this province and to realize the priorities that are important to the people of Manitoba.

These include expanded support for health, for medical care, Madam Speaker, an extra \$111 million: increased support for Pharmacare, introduction of the Health Services Development Trust Fund that my Minister of Health introduced in this Chamber, which I believe was a flagship by way of further developments, by the way of improvement to the health care system, not just in Manitoba but a signal elsewhere in Canada of the direction to which governments, both federal and provincial, should be travelling. Additional funding for day care, additional funding for Child and Family Services, including support for children in foster homes; the expansion that took place in the child abuse program; the maintenance and the strengthening of the employment support programs under the Minister responsible for Employment and Economic Security and, Madam Speaker, the introduction by this government last year and the continuation of a program geared towards maintaining the education tax credits for our farm people in our rural communities that have been so oppressed by way of low farm prices over the last several years.

It's worth noting, Madam Speaker, that in all these areas, it has been New Democratic Party Governments which have taken the national leadership, which have pioneered the development and ensured increased support in these areas. Madam Speaker, I'm delighted to be associated with a party that nationally has assumed that kind of leadership from one end of this country to the other.

This is true, Madam Speaker, because for the New Democratic Party, its programs are at the root of our party's philosophy. Our belief, and our commitment to those programs are central to our way of thinking.

You know, I heard somebody make a comment across the way, who may deny that he made it, the Member for Sturgeon Creek, that he referred to Marxist philosophy. Madam Speaker, the Honourable Member for Sturgeon Creek, I suggest, is doing more to contribute to the creation of Marxism in his kind of



thinking throughout the world. It's that kind of thinking that has contributed to the growth of Marxist thinking from one end of this universe to the other. It's not social democratic party governments that are trying to improve the lot of ordinary people. In fact, all the honourable member need do is glance through the Communist Manifesto, and you'll find that it was Karl Marx who said social democratic governments were the greatest threat to the growth of the communist movement across the world, that the greatest assistance were right-wing Conservative Governments. That, said Karl Marx, was the greatest threat to the growth of communism. I agree with Karl Marx on that.

Madam Speaker, I can see why so many people of the world faced with the thinking of folks like honourable members, like the Member for Sturgeon Creek, would say, "What have we got to lose. I'm going to join the local Marxist organization." I can understand that very well.

We all know that the Liberals and the Conservatives are but fair weather friends, supporters, on the kinds of initiatives that are important to the human improvement of all Canadians. When difficult times occur, as they have throughout this decade, they are only too eager and prepared to sacrifice our health, our human resource programs to the sacrifice of their particular philosophy of conservatism. This has been the face of conservatism, this has been the stark face of conservatism. It has been the ugly face of conservatism, Madam Speaker, and that face reared its head between the years 1977 and 1981 in the Province of Manitoba - the only one-term government never returned for a second term during this whole century in the Province of Manitoba. It only happened once, and it was with that gang when they were elected between 1977 and 1981. That's the answer.

Madam Speaker, it's the same old excuse. We had the most inept government during this century, the only government that we defeated after one term in office. Rather than acknowledge that was the doings of that government, they blamed the Opposition for their defeat. Madam Speaker, it is that same face which lurks behind the good phrases that we've heard from honourable members across the way, the soothing words, the false smiles of Conservatives, Liberals, who stalk the streets and the back roads campaigning at election time. The economic strategy of this New Democratic Party Government, the social strategy of this New Democratic Party Government has worked and it is working. That explains why our position, relative to other provinces, has been a national model, the envy of other provinces during the past six years.

Jobs, let me deal with jobs. More Manitobans are working today under a New Democratic Party Government than in any other time in this province's history. Our unemployment rate has declined for the past four consecutive years. It is consistently among the lowest in Canada and, very often under this government, it's been the lowest rate. Over the past six years, Madam Speaker, the provincial economy has been stimulated, it's been strengthened by a combination of both private and public sector investment. Non-residential new capital investment has increased as the Honourable Member for Gimli, the Minister of Transportation, indicated a few moments ago, by 55 percent in Manitoba - double, double the

national average with all your Conservative and Liberal governments mixed in.

In recent years, many new firms have been established in this province. A number of major projects have been undertaken or are being planned in the near future, projects, Madam Speaker, such as the proposed \$70 million office tower to be built by the Toronto-Dominion Bank. This is only one of the most recent examples that I believe typifies stability and confidence in the Manitoba economy and the Manitoba climate, for growth and for development.

This hasn't just happened. It's happened because Manitobans have worked hard to make it happen. It has happened because I say, with pride and certainty, no government in this country of ours has done more to create jobs than the government of the Province of Manitoba. Its economic policy, its economic strategy has been second to none and has been designed to meet the needs of the people of Manitoba.

This economic story, confirmed by independent analysts' - and I read to honourable members the accounts of independent analysts the other day during the Throne Speech Debate - forecasts has resulted in the creation of thousands of jobs, has been achieved, not with the support of Conservatives and Liberals, but we have been able to achieve all this in face of their opposition. In fact, the Honourable Member for River Heights, the self-proclaimed voice of reason and rational thought, has stated several times that she would support the government on social issues and vote against the government on economic issues.

I appreciate, Madam Speaker, the blind faith that she proclaims in ability to develop social policy, but I really have to wonder about the reason and rationale of any honourable member who commits herself to not only vote against, but to defeat a government on its economic policies, economic policies that she hasn't yet seen. In fact, even the Leader of the Opposition doesn't make such a commitment before seeing those economic policies.

Most Manitobans understand and acknowledge that the economic and the social life in Manitoba is good, and they know it has improved during the past six years. It is this new reality that has resulted in our population increase over the past several years. Manitobans, by and large, have accepted our Budget, our spending, our program plans for '88-89 because they recognize that our agenda addresses their priorities and needs which they realize are important for the future development of themselves and their families.

Manitobans accept the fact that this is a good, this is a fair, this is a balanced Budget, and they trust this government, the New Democratic Party that can be trusted when it comes to preserving and improving our health care and family and social services, are the most trusted to create an economic environment that will treat ordinary workers and their families most fairly.

Madam Speaker, just on that point, I am disturbed from time to time at how honourable members across the way attack good Manitoba men and women in this Chamber because they're the leaders of trade unions in this province. I want to put on the record that I think it's shameful sometimes, the personal attacks that are launched upon the leaders of the labour movement in this province. If members on this side attacked other Manitobans the way the Honourable Member for



Brandon West and others attack the labour leaders in this province then, Madam Speaker, we would have all kinds of emergency debates and demands for apologies in this Chamber.

And they are, Madam Speaker, ignoring the howling and the sputtering of the honourable members opposite when they participate in empty grandstanding, when they participate in their bloated political posturing - posturing by Conservative politicians who desire to assume power at any cost, indeed even with blindness to the realities of the world around them.

If Manitobans feel anything about Liberals and Conservatives, it's because of the sad confusion that exists within their ranks. That is because it's never clear from day to day exactly where honourable members stand. One day, they demand that taxes be lowered, a simple thing - just lower taxes. We hear these demands from day to day in this Chamber. The very next day, they decry the size of the deficit and they demand another \$100 million or \$150 million or \$200 million reduction in the deficit. They demand, as the Leader of the Opposition did, and the Finance critic, cutting and slashing of millions of dollars from the deficit. Then on the third day, we have demand, Madam Speaker, for increased expenditure by this government.

Whether it's on roads or drainage, which I heard just this afternoon from an honourable member, whether it's in respect to municipalities, whether it's in respect to ambulance service, whether it's in respect to many other areas, day by day, we have constant cries from honourable members who are trying to look good in their own communities, in their own constituencies, demanding that we expend X millions of extra dollars.

Madam Speaker, I want to tell honourable members across the way -(Interjection)- I want to tell the Honourable Member for Arthur who is very good in chatting from his seat but not very good in speaking from his feet that we have a calculator and our calculator is calculating all the demands that are being made by honourable members across the way day by day. Madam Speaker, when this Session concludes, I'm going to announce what the grand total of those additional expending demands are and I'm going to read them back to honourable members across the way. Madam Speaker, in fact, I'll even send them a bill for the services, if they like, of doing the calculations, the accounting expenditure that might be involved in calculating just what their extra demands amount to by way of expenditure.

Madam Speaker, that's why I say honourable members are confused. Cut the deficit, cut taxation, increase sharply expenditures in the Province of Manitoba. You can't have it three ways, Madam Speaker. Is it any wonder that they have no credibility with the people of the Province of Manitoba?

You can then, Madam Speaker, try to explain how you're going to come up with these hundreds of millions of dollars that honourable members are demanding by way of new expenditures while, at the same time, fulfilling the promise that was made by the Honourable Member for Morris. The true duplicity of the honourable members across the way becomes crystal clear when they turn their tongues back on their own favorite issue, the deficit.

We are concerned about the deficit. In fact, no government in Western Canada, and mark my words,

Madam Speaker, has a better record when it comes to the deficit and deficit control and reduction than the Manitoba Government. I say to you with pride that we have done it, and we have done that not at the expense of our health care system in the Province of Manitoba.

When our Minister of Finance rises in his place and presents a Budget to this Chamber, you know it's not a Budget that is going to cut and slash and undermine the basic health and vital social services of the Province of Manitoba. Yet the Finance critic, the Honourable Member for Morris, states that he would cut an additional \$130 million from this deficit . . .

**MR. C. MANNES:** One hundred and thirty-four.

**HON. H. PAWLEY:** One hundred and thirty-four? My apologies to the Honourable Member for Morris - \$134 million.

Do you know what frightens me? I believe, of all the honourable members across the way, the Honourable Member for Morris and I believe, Madam Speaker, that it should concern us all. I don't only believe that he could do it, I believe that, if he was Minister of Finance, he would do it.

You know how they would attempt to do it? The Leader of the Opposition stated in his speech that he'd bring in some efficiency experts, and he said based upon their recommendations he's going to find that \$134 million. He didn't tell us in the Chamber what is going to be reflected in the \$134 million. He's going to leave it to a number of efficiency experts. These efficiency experts in their pin-striped suits are going to wander up and down the legislative corridors. They're going to roam into our hospitals and into our schools and into our day care centres and into our other government programs to find this \$134 million that the Finance critic has announced that he's going to find by way of reduced expenditure in the Province of Manitoba.

Madam Speaker, that's not to suggest - and I'd never suggest it - that this government, like every other government, cannot operate more efficiently. But turning these members loose, the Conservative members in this Chamber, turning them loose upon our health and social services would be like letting the fox loose in the chicken pen.

**HON. E. KOSTYRA:** It would be worse than that.

**HON. H. PAWLEY:** The Minister of Finance says it would be worse than that. I can't right at the moment just think of an analogy that would describe even more vividly how dangerous it would be to our health and social programs than allowing honourable members across the way with their pin-striped efficiency experts to roam through our health and social programs to locate that \$134 million.

You know, Madam Speaker, it would be pretty easy to get snowed under by the blizzard of contradictions posed by honourable members across the way, if anyone ever paid any serious attention to their comments. Fortunately, the Opposition have demonstrated time and time again that there isn't much point in listening too closely to what they have to say. That's because their story keeps on changing from day

to day. There's no consistency in their position; it waffles all over the place.

The Opposition are actually better weavers, Madam Speaker, weavers of fantasy, than the storytellers of old. They have a different story for every occasion, a different story for every week, a different set of eyes and ears that seem to cross their path. When you try to straighten the record out, Madam Speaker, with them and try to ensure that they deal with subjects from a factual basis, they scream like a bunch of wounded animals, because they say, like the Honourable Member for Sturgeon Creek, don't confuse me with the facts, or the Member for Arthur, don't give me any rational explanation, or Madam Speaker, we believe what we want to because we enjoy being in this fantasy of our own making. That's the kind of honourable members we have across the way; that is the kind of Opposition that is reflected by way of the comments and presentations on this Budget by honourable members across the way.

It's as though members opposite are characters that are perpetually trapped in their own Disneyworld. I'm not going to bother to try to figure out which member represents what. But this sad sack of half-baked ideas, this sorry state of confused thinkers across the way, this sorry group of supposed thinkers across the way, who claim they have an agenda, claim to have some magic cure-all, believe they should form the government of the Province of Manitoba.

Madam Speaker, I ask you, how can this collection of mighty minds across the way, who can't even make up their mind from day to day, ever be trusted to form government in Manitoba? But isn't it interesting that this marvellous stream of inconsistency from members opposite, all their free advice, all the grumbling that we've heard, all the bellyaching that we've heard from honourable members across the way, rapidly dries up when it comes to a little commentary on what their cousins in Ottawa are doing. All their sanctimonious, all their self-righteous indignation, all their howling over provincial taxes, provincial spending turn into barely an audible sound when it's time to comment on the federal Budget and its misplaced spending programs and its mammoth tax grabs during the last several years.

The Opposition members would have people believe that they are truly outraged about key economic and social and taxation policies. Yet do they bother to show political leadership when it comes to standing up on behalf of Manitobans over federal issues? No. Because they stand up like dutiful little ducks behind their political leaders and they're all quacking in unison like well-trained pets, Madam Speaker.

When the Mulroney Government let us down on pensions, on drug prices, on increased federal taxes, on concerns over regional development, did the Opposition members speak out? No. They went quack, quack, Madam Speaker. Did the Opposition members speak out when the Federal Tory Government increased the average family taxes by \$1,300 since 1984? Did they complain? No, Madam Speaker, not one sound. Did the Opposition Conservative members in this Chamber speak out when the Conservative Government in Ottawa cut pensions for senior citizens? Once again, no, or not at least again until they felt some heat from the senior citizen organizations in this province. Then

they changed direction, a number of weeks late, Madam Speaker, and after a lot of pressure from this side of the Chamber. Did the Opposition members across the way speak out when the government in Ottawa, the Conservative Government in Ottawa, announced legislation to increase drug prices to consumers, boosting profits to multinational drug companies? No.

**A MEMBER:** They supported it.

**HON. H. PAWLEY:** In fact, they supported it. I was going to say, I was going to give them credit for silence but honourable members supported it. Did the Opposition members speak out when the federal Conservative Government gave thousands of profitable corporations a free tax ride at the expense of the average Canadian taxpayer? No. They turned a blind eye and that blind eye remained intact, Madam Speaker.

Did Opposition members speak out when the - and we'd raised this over and over again in this Chamber and honourable members have been so silent on this issue - when the Prime Minister presently, when he was Opposition Leader, was speaking in New Glasgow, Nova Scotia - in fact, it was the Crocodile Room of the Peter Pan Hotel - and solemnly committed himself to 50-50 funding for health care between the Federal and Provincial Governments in an equal partnership, equal health partnership. Then rather than restore that equal partnership that the Liberals had undermined from 1980, Madam Speaker, did they speak out when the Mulroney Government continued to cut health care until, as we mentioned during the Throne Speech, the cuts amount to the total amount of money expended in every rural hospital in the Province of Manitoba? Have we heard from honourable members across the way? No, not a word.

In fact, honourable members across the way sit on their hands like salt pillars. That's about the extent of it. They dare not stand up for Manitobans for fear of embarrassing their political cousins in Ottawa. I guess political blood is certainly thicker, Madam Speaker, than water.-(Interjection)- Yes, well it's easy to poke fun at the pretentiousness and the duplicity of honourable members across the way on economic and fiscal matters. We should never forget for a moment there are real dangers contained within their rhetoric and within their posturing because, in desperation to make a sale to the Canadian people and Manitobans, they're ready to peddle any line that they think they could get away with peddling that would lead them to political power.

In fact, Madam Speaker, you've heard of the proverbial snake oil salesman, I believe. The snake oil salesman who used to travel from rural fair to rural fair promoting any kind of medicine that would be a cure-all for everything, a remedy for everything.-(Interjection)- Madam Speaker, I'm glad I've got honourable members so agitated across the way.

**A MEMBER:** Yes, 28 cents a gallon.

**HON. H. PAWLEY:** I heard something about gas prices. The Leader of the Opposition wasn't present when the Minister of Transportation pointed out that his federal cousins have increased federal taxes in this province

on gasoline by 6 cents a litre, approximately \$80 million to \$90 million from the motorists of this province, since they were elected in 1984. If I were the Leader of the Opposition, I wouldn't whisper a word about gas prices in this province with a record like that from his Tory friends in Ottawa.

But, Madam Speaker, back to the proverbial snake oil salesman, the one who has the remedy for anything that ails you. Do you want lower taxes? Well, of course the honourable members say, yes, we'll provide you with lower taxes. They've got the answer. Do you want increased services in your constituency or your community? Well, of course we'll increase the services, the commitments, the roads, the drainage, whatever it be in your own community. Do you want to see the deficit eliminated? Of course, we've got the answer to that as well, say honourable members across the way. In fact, Madam Speaker, I wouldn't be surprised if they were asked by constituents, would you part the Red Sea for us? Then honourable members would say, we've got the answer for that as well.- (Interjection)- Yeah, at no cost.

Manitobans have seen this travelling road show, and they're getting wise to this kind of travelling road show. They continue to believe in a famous operator of a circus, Barnum - you've heard about Barnum - a sucker is born every moment. They are aware, Madam Speaker, of what the honourable members across the way, by way of their confusion, by way of their mixed messages, by way of their inconsistent approach, what they're trying to sell to the people of the Province of Manitoba.

These are some of the worn promises that the Conservatives in the past presently continue to propagate. The former Premier of this province, Sterling Lyon; the Prime Minister of Britain, Margaret Thatcher; the President of the United States, Ronald Reagan; the Premiers of the provinces to the west of us, B.C., Saskatchewan, Alberta, these are the kinds of commitments they've made over the years. Have those remedies worked? Have Thatcher economics turned Britain around? No. Has Reaganomics eliminated the U.S. deficit? No. Have restraint-minded, Conservative-minded governments eliminated double-digit unemployment or, Madam Speaker, maintained services? No.

When the time comes two years from now, when Manitobans are again asked to choose between two distinct alternatives and when they're asked to choose between the empty bag of promises that we hear from honourable members across the way and the record of working remedies which have given Manitoba one of the best economies in Canada, Madam Speaker, I know that they will make the right choice. When they're asked to choose between the alternative of preserving health care under New Democratic Party Government or inviting the Opposition Conservatives, or the Liberals, with their plan for privatization, user fees, deterrent fees, as practised elsewhere, I know Manitobans will make the right choice once again.

Opposition members fail to realize that they continue to look at the world through the wrong end of binoculars. They sound like dinosaurs out of a past era. They're stuck in the same ancient swamp, Madam Speaker, spewing forth the wrong remedies, oblivious to the fact that humanity, world social thinking has passed them by. They continue to see the world as a battleground of winners and of losers, where the world is ruled by the cutthroat marketplace of competition, a deregulated environment, unbridled capitalism, and an insensitive, laissez-faire government.

Liberal and Conservative philosophy believes that government must be prepared to throw the old, the most disadvantaged, onto the sacrificial altar of free enterprise, that the world must bow before the high priest of Milton Friedman, Ronald Reagan, the Michael Wilsons of this world and those who profess the virtues of the trickle-down economic theory. This is the hard-hearted approach to government.

The people of Manitoba deserve better and we must never forget that the only substantial difference between the Liberal and Conservative Party approach to economics is the Conservatives will cut and they will slash for what they call business reasons, whereas the Liberals will hold a bake sale after they've done the cutting and the slashing for those in trouble.

We're all familiar with the Conservative Party's approach to governing, but I want to tell the . . .

**MADAM SPEAKER:** The hour being 6:00 p.m., I'm leaving the Chair and will reconvene at 8:00 p.m.