



Third Session - Thirty-Fifth Legislature  
of the  
**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS  
(HANSARD)**

39-40 Elizabeth II

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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Fifth Legislature**

**Members, Constituencies and Political Affiliation**

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NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	Liberal
ASHTON, Steve	Thompson	NDP
BARRETT, Becky	Wellington	NDP
CARSTAIRS, Sharon	River Heights	Liberal
CERILLI, Marianne	Radisson	NDP
CHEEMA, Gulzar	The Maples	Liberal
CHOMIAK, Dave	Kildonan	NDP
CONNERY, Edward	Portage la Prairie	PC
CUMMINGS, Glen, Hon.	Ste. Rose	PC
DACQUAY, Louise	Seine River	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DEWAR, Gregory	Selkirk	NDP
DOER, Gary	Concordia	NDP
DOWNEY, James, Hon.	Arthur-Virden	PC
DRIEDGER, Albert, Hon.	Steinbach	PC
DUCHARME, Gerry, Hon.	Riel	PC
EDWARDS, Paul	St. James	Liberal
ENNS, Harry, Hon.	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Clif	Interlake	NDP
EVANS, Leonard S.	Brandon East	NDP
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen, Hon.	Springfield	PC
FRIESEN, Jean	Wolseley	NDP
GAUDRY, Neil	St. Boniface	Liberal
GILLESHAMMER, Harold, Hon.	Minnedosa	PC
HARPER, Elijah	Rupertsland	NDP
HELWER, Edward R.	Gimli	PC
HICKES, George	Point Douglas	NDP
LAMOUREUX, Kevin	Inkster	Liberal
LATHLIN, Oscar	The Pas	NDP
LAURENDEAU, Marcel	St. Norbert	PC
MALOWAY, Jim	Elmwood	NDP
MANNES, Clayton, Hon.	Morris	PC
MARTINDALE, Doug	Burrows	NDP
McALPINE, Gerry	Sturgeon Creek	PC
McCRAE, James, Hon.	Brandon West	PC
McINTOSH, Linda, Hon.	Assiniboia	PC
MITCHELSON, Bonnie, Hon.	River East	PC
NEUFELD, Harold	Rossmere	PC
ORCHARD, Donald, Hon.	Pembina	PC
PENNER, Jack	Emerson	PC
PLOHMAN, John	Dauphin	NDP
PRAZNIK, Darren, Hon.	Lac du Bonnet	PC
REID, Daryl	Transcona	NDP
REIMER, Jack	Niakwa	PC
RENDER, Shirley	St. Vital	PC
ROCAN, Denis, Hon.	Gladstone	PC
ROSE, Bob	Turtle Mountain	PC
SANTOS, Conrad	Broadway	NDP
STEFANSON, Eric, Hon.	Kirkfield Park	PC
STORIE, Jerry	Flin Flon	NDP
SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary, Hon.	Fort Garry	PC
WASYLYCIA-LEIS, Judy	St. Johns	NDP
WOWCHUK, Rosann	Swan River	NDP

## LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, March 12, 1992

The House met at 1:30 p.m.

### PRAYERS

### ROUTINE PROCEEDINGS

### PRESENTING PETITIONS

**Mr. Steve Ashton (Thompson):** Mr. Speaker, I beg to present the petition of Joe Louis Michel, Walter Wastesicoot, Joanne Courchene and others requesting the government show its strong commitment to aboriginal self-government by considering reversing its position on the AJI by supporting the recommendations within its jurisdiction and implementing a separate and parallel justice system.

### READING AND RECEIVING PETITIONS

**Mr. Speaker:** I have reviewed the petition of the honourable member, and it complies with the privileges and practices of the House and complies with the rules. Is it the will of the House to have the petition read?

The petition of the undersigned citizens of the province of Manitoba humbly shewth that:

Locally controlled public housing with elected and appointed board members encourages democratic accountable decision making; and

Many housing authority boards included tenants on the board of directors; and

Volunteers serving on boards made worthwhile contributions to local housing authorities by serving their tenants, their community and in saving taxpayers' money; and

With no consultation, the provincial government fired 600 volunteer board members, abolished 98 local housing authorities, laid off staff and centralized purchasing and administration;

WHEREFORE your petitioners humbly pray that the Legislature of the province of Manitoba may be pleased to request that the Minister of Housing (Mr. Ernst) consider reinstating local housing authorities with volunteer boards. (Ms. Wowchuk)

\* \* \*

I have reviewed the petition of the honourable member, and it complies with the privileges and

practices of the House and complies with the rules. Is it the will of the House to have the petition read?

The petition of the undersigned citizens of the province of Manitoba humbly shewth that:

The bail review provisions in the Criminal Code of Canada currently set out that accused offenders, including those suspected of conjugal or family violence, be released unless it can be proven that the individual is a danger to society at large or it is likely that the accused person will not reappear in court; and

The problem of conjugal and family violence is a matter of grave concern for all Canadians and requires a multifaceted approach to ensure that those at risk, particularly women and children, be protected from further harm.

WHEREFORE your petitioners humbly pray that the Legislature of the province of Manitoba may be pleased to request that the Minister of Justice (Mr. McCrae) call upon the Parliament of Canada to amend the Criminal Code of Canada to permit the courts to prevent the release of individuals where it is shown that there is a substantial likelihood of further conjugal or family violence being perpetrated. (Mr. Reid)

### TABLING OF REPORTS

**Hon. Jim Ernst (Minister of Urban Affairs):** Mr. Speaker, I would like to table the Report and Recommendation of The Municipal Board Re Headingley/Winnipeg Boundary.

**Hon. James Downey (Minister of Northern Affairs):** Mr. Speaker, I would like to table the Annual Report 1990-91 for the Department of Northern Affairs.

**Hon. Leonard Derkach (Minister of Rural Development):** Mr. Speaker, I would like to table the Annual Report for The Municipal Board.

### INTRODUCTION OF BILLS

#### BIII 62—The Business Practices Amendment Act (2)

**Hon. Linda McIntosh (Minister of Consumer and Corporate Affairs):** Mr. Speaker, I move,

seconded by the honourable Minister of Education and Training (Mrs. Vodrey), that Bill 62, The Business Practices Amendment Act (2); Loi no 2 modifiant la Loi sur les pratiques commerciales, be introduced and that the same be now received and read a first time.

**Motion agreed to.**

\* (1335)

### **Bill 61—The Consumer Protection Amendment Act (4)**

**Hon. Linda McIntosh (Minister of Consumer and Corporate Affairs):** Mr. Speaker, I move, seconded by the honourable Minister of Industry, Trade and Tourism (Mr. Stefanson), that Bill 61, The Consumer Protection Amendment Act (4); Loi no 4 modifiant la Loi sur la protection du consommateur, be introduced and that the same be now received and read a first time.

**Motion agreed to.**

### **Introduction of Guests**

**Mr. Speaker:** Prior to Oral Questions, may I direct the attention of honourable members to the gallery, where we have with us this afternoon, from the Maples Collegiate, 30 students, and they are under the direction of Mr. Murray Goldenberg and Liisa Shell. This school is located in the constituency of the honourable member for The Maples (Mr. Cheema).

Also this afternoon, from the University of Winnipeg, we have 20 sociology students, and they are under the direction of Dr. Federico Carrillo. This school is located in the constituency of the honourable member for Wolseley (Ms. Friesen).

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

## **ORAL QUESTION PERIOD**

### **Economic Growth National Average Statistics**

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, five budgets ago, the government of the day said to Manitobans—like their other counterparts stated—that all we had to do in Manitoba was to give corporations tax breaks, and these tax breaks would trickle down and Manitoba's economy would improve.

Mr. Speaker, it is an economic theory that, I guess, was first started in North America by Ronald Reagan. This trickle-down theory was called initially by George Bush to be voodoo economics. We thought it was voodoo economics then; we think it is voodoo economics now. The government also said last year that it would just step aside and let the economy pick up on its own. Of course, 12 months later, we have more unemployed, and worse prospects for the people who are unemployed and the people on social assistance.

The government, in its first page, stated in their budget and quoted selectively from the Conference Board stating that Manitoba's growth would exceed the national average. What they did not do, Mr. Speaker, is quote from their own budget forecast to show that Manitoba would perform below the national average, after five budgets.

I would ask the Minister of Finance why his economic policies, his voodoo economics, are providing Manitobans less than the national average in terms of economic performance in '92 and '93.

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, that is a pretty weak preamble to a question. The member was all over the place.

Let me say, Mr. Speaker, if the Leader of the Opposition wants to talk about last year, he will also notice that the Canadian average growth was negative 1.5 percent. Yes, we were negative also, but not at 1.5 percent. We were closer to 1 percent negative. Unfortunately, recession was in essence the law of the economic land last year. We did not lose 260,000 jobs in this province in the manufacturing area indeed like Ontario did. Nevertheless, this budget is attempting to lay the framework, indeed the foundation, for economic growth in the year to come.

Whether the member wants to accept the Conference Board forecast or whether he wants to accept the average, traditionally we put in the average of the four, five or six or seven independent forecasters. That has been the tradition in this province. We continue to subscribe to it. We are told, for instance, that Newfoundland, because of the Hibernia decision, will begin to drop significantly, putting us now into third position. We are told that there will be a major upgrade and that in spite of it all Manitoba, vis-a-vis almost any other province in the land, will be leading economically in the gross sector in 1992.

**Mr. Doer:** Mr. Speaker, when the government does not even recognize the independent forecast that shows us performing below the national average, it is hard for a government to take corrective action so Manitoba can start getting above the national average where we have traditionally been.

My further question to the Minister of Finance. He is asking Manitobans to take a "leap of faith" with the future economy of Manitoba in the '93-94 fiscal year, yet again, the numbers in his own budget forecast from his own independent sources indicate that '93 and '94 will again have Manitoba performing below the national average.

I would ask: Why are the economic policies of the Conservative government leading Manitoba to a path below the national average? Why is that good enough for the members opposite to say this is a good news budget for Manitobans?

\*(1340)

**Mr. Manness:** Mr. Speaker, I totally reject the assertion of the Leader opposite. We are sharing with him independent forecasts, as has been done. The member always, of course, chooses to focus in on the negative side. That is his approach. I would say to him that I thought he might be interested to know how the financial markets were looking at Manitoba's management in the government sense.

I thought he might be interested to know how it is that under our leadership, the debt of this province has grown only an insignificant portion as compared to the former administration. Mr. Speaker, I would think the member would want to focus on that, but the point is that the member just wants to dwell out now into two years hence.

It says to me, Mr. Speaker, that the member obviously has nothing to criticize with respect to this budget. It says to me that he still is ashamed about the tremendous, incredible tax increases levied by the Pawley administration in the past. He recognizes how they have hurt the economy of this province and indeed he wants to move now, not into 1992, he wants to move already to 1994. I say to the member, he has nothing to criticize in this budget.

**Mr. Doer:** If the Finance minister thinks that performing below the national average is nothing to criticize, he is wrong. We are criticizing the government.

We are criticizing them for 8,000 people dropping out of the labour market. We are criticizing them for

52,000 unemployed. We are criticizing them for the largest increase in social assistance in any urban centre in Canada, and he says that is good news. Well, shame on you, Mr. Speaker. I have a further question to the Minister of Finance.

**Some Honourable Members:** Oh, oh.

**Mr. Doer:** If that is unparliamentary, I will retract it. [interjection] Mr. Speaker, the member for Pembina (Mr. Orchard) says, we did not do anything. That is exactly right. That is the problem with this budget.

### Public Capital Investment Decline

**Mr. Gary Doer (Leader of the Opposition):** I have a supplementary question to the Minister of Finance. The Premier (Mr. Filmon) often sounds like Franklin Delano Roosevelt going down to Ottawa talking about capital reconstruction of our country to get our country working again. It sounds very great when we look at his statements, Mr. Speaker, yet when he gets back to Manitoba, he looks more like Sterling Lyon in terms of his actual economic performance and budget attempt.

According to the Manitoba Bureau of Statistics, in terms of 1992, investment in public capital is predicted to go down 5.4 percent in this next fiscal year. I would ask the Minister of Finance how that squares with the Premier's comments and statements to the Prime Minister of the country that we need capital spending and capital infrastructure development in this province. How come we are declining 5.4 percent when we are asking Ottawa and other governments to start building jobs by building our country back together again?

**Hon. Gary Filmon (Premier):** Public capital investment obviously includes other jurisdictions other than the province of Manitoba. It includes municipal governments. It includes the City of Winnipeg. It includes various other jurisdictions. The fact of the matter is this budget earmarks, between the direct capital of government departments and Crown corporations, some \$1.1 billion in investment.

The fact of the matter is that direct government capital investment this year is within \$1 million of last year, and both years are higher than any previous year in the history of this province. Yes, Mr. Speaker, and those are our commitments to job creation.

I might say that his shadow group, the NDP give-me group that masquerades under the name of Choices, suggested that we reduce the capital expenditure investment in our economy in favour of short-term, make-work jobs such as the NDP did in the mid-1980s when they did grass cutting, sign painting and all those wonderful things that did not leave one permanent long-term job. We are not doing that. We are leaving permanent assets for the people of Manitoba by capital investment where it is needed for the long-term benefit of this economy.

### **Canada-U.S. Trade Deficit Impact Labour Force**

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, yesterday in his Budget Address, the Minister of Finance told this House that Manitoba depended on trade to create many of its jobs. In the latest forecast report from the Manitoba Bureau of Statistics on international trade, the bureau reports that Manitoba had a \$1-billion trade deficit with the United States in the last year, in the year 1990, the last year for which statistics are available.

I ask the Minister of Finance to tell this House how many jobs that \$1-billion trade deficit has meant in lost jobs to the province of Manitoba.

\* (1345)

**Hon. Clayton Manness (Minister of Finance):** Without accepting any of the preamble of the member opposite, I do know the nation as a whole has a \$35-billion, not current account, but total trade deficit with the United States, \$35 billion. Mr. Speaker, \$25 billion of that as a result of governments like Manitoba having to go borrow money in areas outside of our country because of the incredible deficit and debts left as a legacy by governments previous like the members opposite. That is \$25 billion of it in dividends and indeed interest rates that has to flow out of this country in support of the debt that has been left provinces such as Manitoba.

If the member wants to look at the root cause of the number he presents, all he has to do is look in a mirror and ask about his contribution when he was part of the Pawley government when they ran up \$600-million deficits three years in a row, Mr. Speaker. He is the cause of that.

**Mr. Storie:** Mr. Speaker, that is balderdash, and the Minister of Finance knows it. The imports from the United States have increased every year since

the Free Trade Agreement was signed, to the point where we have a \$1-billion trade surplus.

### **Free Trade Agreement Softwood Lumber Duty**

**Mr. Jerry Storie (Flin Flon):** When the Free Trade Agreement was approved, we were told it was going to protect Manitoba exports. It was going to protect Canadian exports from harassment from the U.S. A 14.5 percent duty has been put on softwood lumber, and today we learned that lumber wholesalers are going to have to move their operations to the United States.

Mr. Speaker, my question to the Minister of Industry, Trade and Tourism or the Minister of Finance: What is he going to do, what is the government going to do, to prevent the continued erosion of our economy because of the Free Trade Agreement?

**Hon. Eric Stefanson (Minister of Industry, Trade and Tourism):** Mr. Speaker, in terms of the issue of the duty being charged now through the United States on softwood lumber, firstly, there needs to be some clarification. This morning I phoned Michael Wilson's office. Our department is working with federal officials because the confusion is this: There has been an interpretation that the duty is going to be charged on the selling price of the wholesalers out of Manitoba, which is causing the concern in that particular industry, whereas the previous duty that was in place was charged on the mill price. It makes a fundamental difference.

At this particular point in time, people have been giving their responses on the basis of some information coming from Customs officials, so that has to be clarified initially. If it comes to be that it is in fact being charged on the price being sold by the wholesalers, we will be encouraging the federal government to take the strongest action, obviously, to oppose that. It is detrimental to the economy, not only of Manitoba, but across Canada. We will be communicating that with the federal government today, with Michael Wilson and in writing, Mr. Speaker.

### **Free Trade Agreement Softwood Lumber Duty**

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, we want the government to act. Can the Minister of Industry, Trade and Tourism (Mr. Stefanson), or perhaps more appropriately the minister responsible for

Repap, explain today the consequences of this decision, this 14.5 percent duty on the operations of Repap? Given that yesterday they announced a 450-person layoff in Repap, what is the long term for the lumber division and Repap as a result of this 14.5 percent duty?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, it seems to me that when the duty was relieved about a year ago, it represented a benefit to Repap of a million or a million and a half dollars. The announcement yesterday, I am led to believe, had absolutely nothing to do whatsoever with the imposition by the Americans of a tax.

I would indicate to the member that there was a cause for an emergency shutdown of the pulp and paper mill as a result of an event the week previous, internally, and that is the reason for some of the announcements that have been made recently.

\* (1350)

### **Budget Fiscal Stabilization Fund**

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Mr. Speaker, for a number of years, we have heard about this Fiscal Stabilization Fund, but I think it is important to take a look at the history of that fund.

In the budget ending March 31, 1990, we were told by this government that they would take \$50 million from the Fiscal Stabilization Fund. They did not. Instead we saw cuts to Agriculture, Family Services and Health. In 1991 year end, March 31, they said they would transfer \$100 million. Well, they did not, Mr. Speaker, and meanwhile, we saw cuts in Agriculture and Health. This year we were told they would take \$125 million. Yesterday it was confirmed that they will not take any, but the nine-month statement shows cuts to Agriculture, Education, Family Services and Health.

Mr. Speaker, can the Minister of Finance tell us why he has any believability with regard to the Fiscal Stabilization Fund when what is really happening is cuts to programming all tied up in the fiscal stabilization gift package?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, at least the NDP, when we brought in the Fiscal Stabilization Fund, because they were in government, understood why it was that government should have a fiscal shock absorber. They understood that. The Liberals, never having been in government, of course, would never

understand. Their theory is: spend every dollar and then more.

The Liberals have been in this House long enough to know that when we pass certain resolutions as required through the Estimates process, they would know under the democratic system that is the maximum amount we can expend. We cannot spend more.

Can the members tell us, when we have a budget, for instance, in Health of \$1.65 billion, how it is we can be expected to spend right to the dollar? We cannot spend more because the resolutions that we vote in this House will not allow us to spend more, yet she is demanding we spend right to the dollar. We cannot do it. Every government in Canada has set up lapses, because indeed you cannot hit the number always, and sometimes you miss it by a half a percent. That is what the Liberal Party totally neglects in their understanding, either on purpose or indeed by accident, Mr. Speaker. They do not understand the system. They have not attempted to learn the system.

**Mrs. Carstairs:** Mr. Speaker, what the Liberal Party in Manitoba is opposed to is a fraud fund.

\* (1355)

### **Economic Growth Forecast Justification**

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Mr. Speaker, the Minister of Finance yesterday spoke about growth. He talked about the fact that there was in fact going to be some growth in the Manitoba economy. I would like to know from the Minister of Finance why he believes there is going to be growth when he shows all of the revenue sides which indicate growth down. For example, he shows retail sales tax revenues are going to be down. He shows motive fuel taxes are going to be down, parimutuel, tobacco, gasoline, corporation, health and education levy, all down. The only levy he shows as going up are increases in income tax which quite frankly flies in the face of the fact that all the stats show that the growth in income in this province is running about .7 percent.

Can the minister tell us where he gets this growth forecast from?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, the question is a good one, and I will try and help the member. We do not determine our own rates of growth. They are determined, as has been the tradition in Manitoba for many, many years,

long before we came to government and long before the NDP came to government before us, it comes from independent forecasters, so that governments are not tempted to play around with economic growth numbers as they put them in the budget. We do not do it. [Interjection]

Well, Mr. Speaker, the member wants to know. Using the long-trying and proven practice, we take a simple average of the seven independent forecasters, the same practice that has been in vogue for a number of years now. That is the basis on which 2.4 percent growth is forecasted for 1992.

Maybe the member then should put that question to the independent forecasters. I have, and they tell me they are impressed with what they see as the potential with respect to the goods producing area, agriculture, in the utilities and indeed some mild recovery within the retail sector also.

**Mrs. Carstairs:** Mr. Speaker, there is an expression, you know, that nobody is as blind as those who will not see. What we see in this government is that they put blinkers on so they deliberately will not see.

Another factor of growth is sales in housing and housing starts. This government shows two indications to the contrary. They show land transfer tax revenues as being down, they show land title fees as being down, both indications that they do not believe that there will be an increase in housing starts and an increase in housing sales.

Can the minister tell us how these revenue decreases indicate that our economy is going to have a growth factor?

**Mr. Maness:** Mr. Speaker, I will try and help the member.

We have built in moderate revenue-growth projections because ultimately there is a lag. Everybody knows there is a lag coming out of economic growth. Anybody who has studied the past and tried to relate government revenues to economic growth knows there is almost always a year lag, sometimes in corporate income tax areas, a two-year lag.

Mr. Speaker, I want to point out to the member, as I have several times in the past, one cannot directly correlate economic growth with revenue growth to government in the same year. Certainly, we have taken a very modest approach to our Estimates. I am hoping that we are proven wrong.

I hope indeed they are surpassed by revenue growth to government.

### **Employment Resources Regional Offices Closure**

**Mr. Leonard Evans (Brandon East):** Mr. Speaker, I have a question for the Minister of Family Services.

Unemployment remains at intolerably high levels in this province, and government, in our opinion, has a responsibility to help unemployed Manitobans find suitable jobs. For some years now, this province has had a network of nine employment resources regional offices in rural Manitoba that have administered youth job programs, the Community Places programs and other programs to help the unemployed and stimulate the economy.

My question to the minister is: Why has the government decided to close the entire network of nine regional offices, including Steinbach, Winkler, Teulon, Brandon, Dauphin, Killarney, The Pas, Thompson and Churchill? How does the minister explain this move, which is totally contrary to the government's professed objective of decentralization?

**Hon. Harold Gilleshammer (Minister of Family Services):** Mr. Speaker, the member has asked a number of questions within there. I will try and answer all of them.

There are those who are closely connected with our colleagues across the floor who portray themselves as social activists and who want to indicate from time to time the increases that departments such as Family Services should have and, in their most recent proclamation, indicated that there should be increased expenditures of some 5 percent in Family Services. I am very proud to tell you that this government is cognizant of the needs of people in this province and that we are spending almost 9 percent—

**Some Honourable Members:** Oh, oh.

**Mr. Speaker:** Order, please. The honourable minister, to finish his response.

\* (1400)

**Mr. Gilleshammer:** Mr. Speaker, this department will be accessing increased revenues of almost 9 percent to address a number of the issues that the honourable member has indicated.



The programs that were facilitated by those employment offices that are run by this department are basically the CareerStart Program, and I am pleased to indicate that the CareerStart Program will be offered again this year to employers and nonprofits in Manitoba. In fact, the literature has been out now for some three weeks to people who want to access that program. That program will be maintained, and we are now taking applications for it. [interjection] Perhaps, I can give a further answer.

**Mr. Leonard Evans:** Mr. Speaker, I gather that the government has indeed closed nine regional resource—

**Mr. Speaker:** Question, please. Order, please.

### CareerStart Program Centralized Administration

**Mr. Leonard Evans (Brandon East):** Does this mean that all programs such as CareerStart will now be administered out of Winnipeg? How does the minister expect the people of rural Manitoba to be adequately serviced by centralized operation in the city of Winnipeg?

**Hon. Harold Gillehammer (Minister of Family Services):** The member is correct that the CareerStart Program will be offered again this year, and as I have indicated, at the same levels as last year. In fact, with some adjustments to the program, I believe we will be able to serve even more employers and be able to have more youth employed through the CareerStart Program.

That part of our department also deals with the Youth Employment offices and, I think, 34 centres in Manitoba. They, too, will be open again this year to work with local community groups to identify those jobs and provide that employment throughout Manitoba.

**Mr. Leonard Evans:** Obviously, the answer is yes. The entire CareerStart—

**Mr. Speaker:** Order, please.

### Funding

**Mr. Leonard Evans (Brandon East):** Why is this CareerStart Program only funded at \$3.5 million this year when two years ago it was over \$7 million when youth unemployment was not nearly as high as it is today? How can we explain this? We have more unemployment today, and we have half—

**Mr. Speaker:** Order, please. The question has been put.

**Hon. Harold Gillehammer (Minister of Family Services):** Mr. Speaker, as I have indicated, the program will be able to service more employers and hire more students this coming year than it did the previous year. As well, we have indicated in the Budget Address yesterday that there will be new programs announced in the near future, our Partners with Youth program which will be offered by this department and a number of other departments, and we will provide additional dollars for youth programming and are very aware of the number of students who will be looking for work this summer. Through a number of other programs, we will be able to fund more youth employment this summer than we did the previous year.

### Health Care System Underspending

**Ms. Judy Wasylycia-Lels (St. Johns):** The duplicitous, dishonest, devious nature of this latest Conservative budget is nowhere more apparent than in the health care area.

The Conservatives, Mr. Speaker, say they are increasing their health care budget by 5.7 percent, yet over the last several years, they have underspent the health care budget by over \$100 million, all the while letting patients stand in line for longer and longer times, then beds close and services cut.

How can the patients and the caregivers in Manitoba's health care system trust this government and this Minister of Health, that they will spend what they have promised and that they will put those dollars towards quality patient care?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, I will simply comment briefly that the only time my honourable friend brings the issue up of underspending is in Question Period in the hopes of bringing some new reporters into thinking this is a tremendously great and new issue. Never once has my honourable friend dared to ask the question in Estimates where she knows the answer will debunk all of her false accusations, false premises, because my honourable friend knows that in the hospital budgets where those surgeries are performed, every single dollar has been spent as budgeted every single year for the last five and, we expect, will do so again this year.

The myth that she tries to perpetrate of lapsed money in health care coming out of hospital budgets is absolutely wrong, and she knows it, but she hopes

that she can suck in some new reporter into carrying it as news item. She is false in her accusation; she is improper in her delivery of the question, and she knows better, Mr. Speaker.

**Ms. Wasylycia-Lels:** That is the kind of verbal diatribe—

**Mr. Speaker:** Order, please. The honourable member for St. Johns, kindly put your question.

### Health Sciences Centre Operating Budget

**Ms. Judy Wasylycia-Lels (St. Johns):** If hospitals are supposedly getting the 6 percent increase as this budget purports, why then is Manitoba's largest hospital, the Health Sciences Centre, going into a retreat next Wednesday and Thursday to figure out how to cope with a government-directed \$10-million reduction in their operating budget and how to do without 160 beds, many of them in the acute-care service area?

**Hon. Donald Orchard (Minister of Health):** A \$10-million reduction in budget at the Health Sciences Centre when they are going to share in a \$53-million increase to the hospital again proves the rather lack of directness and honesty in my honourable friend's question.

Mr. Speaker—

**Mr. Speaker:** Order, please.

### Point of Order

**Mr. Steve Ashton (Opposition House Leader):** Mr. Speaker, on a point of order, indeed some of us on this side might question whether this minister should be questioning anybody's honesty—

**Mr. Speaker:** Order, please. The point.

**Mr. Ashton:** —and indeed it is against our rules. I would ask you to have him withdraw his comment.

**Mr. Speaker:** I would like to caution honourable members, they are toying with parliamentary words and also indeed unparliamentary—they show up on both lists. I would caution all honourable members, for the viewing public, pick and choose your words very carefully.

\* \* \*

**Mr. Orchard:** Mr. Speaker, I fully concur with your admonition of all members of the House in choosing their language more appropriately. If I have offended anyone in the health care system from

reacting to the wild rhetoric of my honourable friend the critic, I apologize to the members of the health care system.

Mr. Speaker, let me tell my honourable friend that in Manitoba, hospitals will receive approximately a 5 percent increase in their budget this year over last. That is not as much as they requested, so they are attempting, as they are in other provinces, to come to grips with programming within the institutions to assure that the patient care levels are able to be maintained.

I will put my honourable friend to the test of comparison in Manitoba with a 5 percent increase in hospital budgets compared to the rigorous exercise going on immediately to the east of us in the province of Ontario, where they have had a 1 percent increase in hospital funding to deal with this year.

\* (1410)

### Health Care Facilities Funding

**Ms. Judy Wasylycia-Lels (St. Johns):** Mr. Speaker, perhaps the minister could just tell us, given the dilemma hospitals are faced with right today, and expected to report back to the minister by the end of the month, which hospital will get an increase of 5 percent or 6 percent in real terms so that they will not have to cut any services, cut any operating rooms and drive out any more patients from elective surgery?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, I think that our inflation rate is projected to be something under 2 percent. I believe the funding, globally, to the ministry of Health is a 5.7 percent increase, almost three times the rate of inflation. Hospitals will receive approximately a 5 percent increase this year over last. At a rate of inflation, which is generally what drives your costs, that would mean the real increase was 3 percent this year to carry on the operations within our health care system.

I will invite my honourable friend's analysis of the relative position of our funding in Manitoba compared to any other provincial budget which will come down in the next six weeks, be they governed by New Democrats, Liberals or Progressive Conservatives across the province, because at a time when our revenues are projected to grow in the province less than 2 percent, we are providing 5.7

percent to support health care for the betterment of Manitobans, Mr. Speaker.

### Post-Secondary Education Funding

**Mr. Reg Alcock (Osborne):** Mr. Speaker, a couple of weeks ago, I asked the Finance minister about the Premier's (Mr. Filmon) commitment to post-secondary education and to labour force training. At that time, I was told to wait for the budget, and yesterday we see a \$2.5-million commitment to new programs at our colleges. Unfortunately, in the Estimates we only see \$1.1 million in increased funds, and that is still half a million dollars less than they were receiving two years ago.

Can the Finance minister explain to us where his \$2.5 million in new programs to the colleges is being funded from?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, I ask the member to bring that question to Education Estimates. It will be fully explained at that time. I can assure the member that there is a \$2.5-million commitment to new college programming.

**Mr. Alcock:** Mr. Speaker, that is a line we have heard before.

### Post-Secondary Education Tuition Fee Increases

**Mr. Reg Alcock (Osborne):** Why, Mr. Speaker, when the funding for student assistance is still lower than it was two years ago, how are students going to accommodate the 20 percent increase in fees that they faced last year and the nearly 20 percent increase in fees that they will incur this year?

**Hon. Rosemary Vodrey (Minister of Education and Training):** Mr. Speaker, I would like to make sure that the member understands that this government has in fact increased our support to student aid by over \$600,000, and that we do not know yet what the tuition fees are going to be. I will also remind him it is a very difficult time, but universities in this province also benefitted from a 3 percent increase.

I would like to remind him that universities in Ontario, post-secondary education at universities in Ontario received a 1 percent increase, and in Saskatchewan, universities received 0 percent.

We have increased student aid, and we have increased our support in post-secondary education.

**Mr. Alcock:** Mr. Speaker, when a 3 percent increase in support to the universities produced a 20 percent increase in fees last year, I would ask the Minister of Education what she is predicting the increase in university fees to be this year.

**Mr. Speaker:** The honourable member's question seeks an opinion, therefore is out of order. The honourable member, kindly rephrase your question, please.

**Mr. Alcock:** Mr. Speaker, I would like to ask the minister this then. Has she received any information from the universities that advises her as to what they expect the increase to be?

**Mrs. Vodrey:** Mr. Speaker, I would like to tell the member that formally I have not received any communication. I will be meeting next week, however, both with the presidents of the student unions from the universities and also with the presidents of the universities.

### Budget Civil Service Layoffs

**Mr. Steve Ashton (Thompson):** Mr. Speaker, this Finance minister described his budget as a good news budget—good news for the 52,000 unemployed, good news for the hundreds of dedicated Manitoba civil servants who received notices that they are being laid off, indeed, good news for people who have worked for such departments and organizations as the Human Resources Opportunity Centre in Selkirk cut by this government, people who work in Natural Resources cut by this government, in Education. The list goes on and on. What is worse is the way in which the uncertainty continues as to who will be laid off as a part of this government's budget.

I would like to ask the Minister of Finance: Of the 300 people whom he has said will be directly impacted by his budget, how many have received their pink slips currently, because everyone holding one of those positions will receive a pink slip? How many more will be receiving pink slips over the next year of the upcoming fiscal year?

**Hon. Darren Praznik (Minister of Labour):** Mr. Speaker, I am somewhat surprised at the question from the member for Thompson, who prides himself on being a representative of labour, of unions and representing that point of view. He should be very

well aware that the termination of positions, the layoffs in government, are governed by provisions of our collective agreement. He should be aware, as well, that although certain positions—as we indicated, some 300 positions were identified for elimination in this budget. In consultation with the MGEA some months ago, pursuant to our announcement, we have been working on matching with VISP.

As I indicated in this House yesterday, if the member had been paying attention to the answer to the question, there were some 131 people affected by this budget. The matching processing is underway, and the collective agreement is being followed.

**Mr. Ashton:** Mr. Speaker, what assurances can the Minister of Labour or the Minister of Finance (Mr. Manness) give to civil servants who are under a cloud of fear at the current point of time because they do not know if they will be receiving pink slips, many of them, in the upcoming year? What assurances can they give as to how many more people—these are people, not positions—will be receiving pink slips from this government in the upcoming fiscal year?

**Mr. Praznik:** Mr. Speaker, the comments of the member for Thompson are quite interesting. If his party would join with us in passing this budget in the next few days, where we have budgeted for money for expenditure, then no one will have to worry about layoffs over the next year, because the money will be there.

We indicated very clearly at the beginning of the year that we had identified some 300 positions affected by this budget. Those positions are in the process of being identified. Matching is underway. We intend to limit that amount. If the member for Thompson is asking if there are other planned cuts, et cetera, through the year, this is why we pass a budget with positions in it, Mr. Speaker, a budget that I am sure his party will vote against.

**Mr. Speaker:** Order, please. The time for Oral Questions has expired.

## ORDERS OF THE DAY

### BUDGET DEBATE

**Mr. Speaker:** Adjourned debate, second day of debate, on the proposed motion of the honourable Minister of Finance (Mr. Manness), that this House approve in general the budgetary policy of the

government, standing in the name of the honourable Leader of the Opposition.

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, it is a pleasure to respond to the fifth budget of the members opposite. I find it rather curious that after five budgets, the words “beginnings” and “beginning” and “start” and all these other terms are so pervasive throughout the document. They keep forgetting that they have been in office for a long, long time and many Manitobans would argue, too long a time, too long.

I am pleased that the Minister of Labour (Mr. Praznik), the Minister responsible for the Civil Service Commission, and I do not want to miss this point, has given us a warranty on job security for the public service, Mr. Speaker.

\* (1420)

He has outlined that when the budget is passed, there will be no more layoffs. There will be no more layoffs, and I am pleased that he has given Manitobans for the first time ever some semblance of security and stability, because they have been going through a period of instability under the Conservative Government opposite for the last period of time, particularly since they have a majority government on September 11, 1990.

Mr. Speaker, we will be commenting on the budget in terms of our criticisms. I say to the Leader of the Liberal Party (Mrs. Carstairs), I do not expect to be going too long today on the budget, so she can make her decisions accordingly. We will be making our criticisms of the budget. We will be giving credit where credit is due in the budget. I would ask the members opposite not to hold their breath too long. [interjection] The member for Tuxedo (Mr. Filmon), perhaps he could, you know, just hold on for a minute, hold on, keep cool.

He used to be considered a cool person, Mr. Speaker, but I guess the premature bunkerism is setting in on the members opposite, as led by the First Minister (Mr. Filmon). He has taken over from the member for Pembina (Mr. Orchard), sort of being the key—personal shots in the Chamber has kind of been taken over.

Mr. Speaker, they often say governments often have three stages to them. It is called the three-envelope stage. I thought today I should remind the members opposite of the three envelopes because they have hit that point of the third envelope very, very early in their careers.

The first envelope, of course, is blame the federal government. They did that right up to the 1990 election. The second envelope, of course, is to blame the previous government, and even after they were given a surplus by the previous government, they are now blaming the previous government, and now it is time to prepare the third envelope, and that is, of course, prepare three envelopes for the next incoming government after the next election in the province of Manitoba. [interjection] There we go again, Mr. Speaker. The Premier (Mr. Filmon) is at it again.

Mr. Speaker, this is a serious time. Perhaps, as the old saying goes, one picture is worth a thousand words—today's political satire in the major newspaper of this province. We have all laughed at political cartoons before, and we have all been victims of political cartoons before. We all laughed at the giddyap cartoon of the Premier. We all laughed at the mouse that roared cartoon of the Premier. They have all laughed at cartoons that have had us as victims, and there have been some pretty pointed ones.

Today, Mr. Speaker, the cartoon was not very funny. It was a person who was pushing a cart, obviously on social assistance, obviously homeless, with a Tory government on his back and stay the course—well, the Premier (Mr. Filmon) thinks it is funny—with stay the course as a slogan. It cut pretty strong, in my opinion, of what is going on in the province and what is going on with the people of Manitoba with the government's budget. They tried to portray it—they had all their people out in the hallways the last couple of weeks saying, it is going to be a good-news budget; it is going to be great news.

It may be good news in Tuxedo. It may be good news in Charleswood, but it is not good news for the 52,000 people who are unemployed. It is not good news for the people, the 51 percent increase in social assistance. It is not good news for the 8,000 people who have dropped out of the labour market. It is not good news for many Manitobans who are scared stiff about their jobs and about the future for their children, and a lot of people are scared out there, Mr. Speaker.

The Conservatives I do not think are in touch with that fear because their budget was not in touch with their hopes. That is why, when we comment on the budget today, we are going to comment on the

government's principles in the budget and what it is resulting in for the people of Manitoba.

The government has said they have two economic principles that they have articulated consistently, and I would credit them for this articulation. One is that they believe, and they promised in '88 along with the Leader of the Liberal Party (Mrs. Carstairs) to get rid of the corporate taxes, and that this removal of the corporate taxes in the province of Manitoba would result in the corporations creating jobs, creating wealth, and then we would all live happily ever after in the province of Manitoba.

This is a trickle-down theory that was articulated by, as I say, Ronald Reagan in the early '80s in the election. It was called by George Bush to be voodoo economics, and then when he became the running mate he quickly expunged those words. I thought he was right then, and I think he is right about the Manitoba situation of voodoo economics.

That has been one tenet or one pillar of the economic policies of the Conservative government. The other one was articulated by the Premier (Mr. Filmon) last year in many questions we asked him about the economy of Manitoba. The Premier said time after time that he believed in a step-aside approach to the economy—well, he shakes his head, but it is in Hansard, Mr. Speaker.

His words are in Hansard. I would refer those words back to the Premier. He said that we believe that a government should just step aside, and the private sector will create all the wealth and all the opportunities in Manitoba, and we would be in good shape. Those are the two fundamental principles of the Tory economic policies that we see in play today.

What are the results, Mr. Speaker? Well, the Tories were wrong on their unemployment rate when they presented their budget last year. It would trickle down again for the fourth year in the step-aside approach. They were wrong in April, May, June, July, August, September, October, November, December, January, February and unfortunately in March. They were not correct in their unemployment predictions—well they think it is funny. They were not correct one month out of 12, not one month out of 12. That was what has happened.

Their corporate revenue—now this was going to be their engine of economic development. Their corporate revenue went down 45 percent in 1991

and '92, and it is projected to stay flat in 1992 and 1993.

Where is the private sector? The private sector is performing worse than under the former New Democratic days. Private sector investment in Manitoba last year was one of the worst in Canada—private sector investment, not public sector investment, so where is the beef, Mr. Speaker, in terms of their policies and their results?

Sales tax revenue—even look at the percentage of revenues in the government's own budget. The percentage of revenues in the government's own budget has gone up in terms of federal revenues and equalization and EPF, and it has gone down in terms of their own source revenues, gone down. In other words, the people they bashed for the last couple of years are the only place where revenues are going up, and the people that they credited with the economic recovery is continuing to decline as a percentage of contributions in this budget.

Mr. Speaker, the only other source of improvement, of course, has been in the government's own Fiscal Stabilization Fund. Now, I said to the Minister of Finance (Mr. Manness), and I want to say this on the record to the Minister of Finance that I thought that fiscal stabilization was a good idea, the fund was a good idea. I do not think it is a mistake. If you look at mining revenues and other commodity revenues, and this province relies on some commodities, like in agriculture, it makes some good sense to flatten out the peaks and valleys, but we have always been opposed to abusing that fund, and I would agree with the Leader of the Liberal Party (Mrs. Carstairs) that the Conservatives now are radically abusing that fund.

They are taking assets that accumulated over previous years, putting them in that fund and flipping them into the operating fund as they choose, in a way that is very dishonest to the people of Manitoba. You are going to get clobbered by the Provincial Auditor because you are practising flim-flam accounting with the books of Manitoba. You think it is funny, but I expected something better actually from the members opposite in terms of financial accounting. I expected something better, Mr. Speaker.

Mr. Speaker, the Auditor himself, I would say to the member opposite, has started to decline your economic performance and rating in terms of financial honesty. He gave you a B- this year, and I would say to the members opposite, you read the

Auditor's report in British Columbia this year. Read the Auditor's report in British Columbia and read the British Columbia stabilization fund. It is absolutely fraudulent what happened in B.C. under the Vander Zalm-Johnston government. They have totally misused a good idea to smooth off the commodity market.

\* (1430)

Now, what is going to happen, Mr. Speaker, because of Conservative governments and their misuse of a good idea, we are going to see the end of a fund that could be a good idea, because you should not sell Crown corporations or other assets and put it into that fund and flip it back and forth in the operating fund because you are misleading people.

You are now running a \$530-million budget deficit. You know that. When you came into office, you were running a \$55-million surplus. In other words, you were getting about \$4 million to \$5 million a month in revenue more than you were spending on the operating side in 1988-89. You were now running \$40 million to \$50 million more in a deficit per month in terms of what you are spending versus what you are bringing in.

The Premier (Mr. Filmon) knows that. He knows that he criticized the former Pawley government, but he knows he is running deficit levels equal to, if not exceeding the Pawley government. The difference is that this Premier, unlike the former Premier, inherited a surplus on a monthly basis. He inherited a surplus. The Pawley administrations inherited about a \$290 million deficit, and took it up close to between \$500 million and \$600 million and took it down to a surplus.

Mr. Speaker, Vander Zalm did the same thing. They got away with this for a period of time. They were able to use the smoke and mirrors presentations on budget day, but you are taking a good idea and, I think, ruining it.

I say this with all the sincerity I can because I think it is a good idea to smooth off the commodity market revenues, mining tax, other things. I really believe that, but I do not think you should use it as a way to mislead the public on our true financial picture.

I say to the member, the Premier (Mr. Filmon), you are doing that, and I expect you will do it next year. I expect you are going to do it next year. I suspect you are going to sell off assets, get former retained earnings from former Crown corporations, circulate

it back into the Fiscal Stabilization Fund, bump up the amount of money instead of paying it down on the deficit, bump up the amount of money and try to fool the people of Manitoba again next year.

It is tricky and it is clever, but it is misleading, Mr. Speaker. I say to the Premier, if he is going to show some honesty and leadership in this issue, he should put a stop to it right now. Do not ruin a good idea. Do not abuse a fundamental concept that we supported and is good in Manitoba because of our situation and reliance on revenues on the commodity side.

Mr. Speaker, we can go on and on and on. The social assistance provisions in the budget have gone up \$90 million in less than 12 months. Now, the Premier says he does not favour "make-work programs." One is left with the question, what does he support, stay-at-home programs? Lose your dignity programs? Develop no life skills and career ambition skills? Is this what he supports? He has told us what he is against. We know what he is spending his money on. He is spending \$90 million more on social assistance.

He has already contradicted himself a little bit in terms of youth hiring, so why does he not look at some real meaningful work programs for employable people on social assistance? I even say that we will not accuse him of flip-flopping, because it is really important that the Premier understands that it is better to have people working, employable people on social assistance working and developing life skills, developing pride and staying in our province than it is to pay them to stay on welfare, to stay at home and to lose their dignity. I really believe that.

We should reprioritize that money. We should reprioritize it. Manitobans with dignity are Manitobans who are productive. Manitobans with jobs are Manitobans who will stay here. Manitobans who have hope are people who will lose the despair that we see in our province. That is what we should be building now, Mr. Speaker. That is what we should be building in this budget, not hands up, we give up, step aside, trickle down and all those theories that actually do not work.

We have quoted the employment numbers. There was good news and bad news in last month's labour statistics, but I would ask the Premier (Mr. Filmon) to be very careful when he talks about the second-lowest unemployment rate, or third-lowest or fourth-lowest in Canada. Who is the lowest?

Saskatchewan is the lowest unemployment rate in Canada, and that is because everybody who was going to look for a job or should be looking for a job is leaving and has left, particularly under the Devine government.

Mr. Speaker, I would ask the Premier to look at how many people are working, how many people are unemployed, what is the increase in social assistance, and how many people are leaving the labour force.

You know, there is one fundamental difference between the early '80s and now in terms of the labour force. The fundamental difference is in Manitoba in the early '80s, the labour force was increasing. Yes, the unemployment was terrible, and, yes, it was tremendous pressure on people, but the labour force was increasing, and now the labour force has gone down 8,000 people in one 12-month period.

We have got a problem, Mr. Speaker, and it is not unique to Manitoba. It is more acute here right now than Saskatchewan even, which had 1,000 out of the labour market in the last 12 months when they suffered more in the '86 and '87 period. We have a problem, a 44,000 person increase in the labour market in British Columbia, many thousands more increase in the labour market in Ontario, and we see two magnets in this country. We have got to do something about that. We have to have countercyclical strategies to the market force changes that are taking place in this country. They are going to the Pacific Rim, and they are going to the so-called former industrial heartland of Canada, and it means we have got to do something about it. You cannot just throw up your hands and say, well, whatever will be, will be, *qué serà serà*, because that will not work in this province.

I say that to the Premier (Mr. Filmon), that he has to look at those labour market statistics because they are bad news. That is bad news for this province. Yes, I was happy our unemployment rate declined 5,000 people, and we said that on Friday, but let us not whistle past the proverbial graveyard, Mr. Speaker.

Mr. Speaker, another interesting thing in the budget was what examples they used in their budget, what examples they used in their budget to talk about Manitoba's international position. I thought it was rather interesting what examples they did not use. Gone was the MacLeod Stedman example that was in previous Conservative budgets

and Speeches from the Throne whose head office has now gone from Manitoba down to Cotter Corporation in Chicago. Gone was Data Services in terms of the head office. Now the head office of Data Services is gone from Winnipeg, and now we are a regional office with a head office publicly owned in Regina in Westbridge.

Mr. Speaker, gone is their comparison. Their economic symbol is Repap Corp. The great economic development and legacy of the Conservatives opposite is CFI 2. CFI 2, a situation where Repap was negotiated by this province with all the forecasting that was right out of the 1940s and out of the 1950s. All the things you should not have negotiated with Repap, you put in the agreement. All the things that were in the past, you put in the agreement. Chlorine bleach, dioxins, all kinds of other issues dealing with the company that were in the past, you predicted that would be the future.

Mr. Speaker, it speaks volumes of the economic capacity of this government when they are the only jurisdiction in the world that believes that carcinogens and chlorine bleach material should be the way of the future and the expansion of the future. The Premier (Mr. Filmon) with his cuff links and the Minister of Finance (Mr. Manness) joined together and said, this was the greatest thing that ever happened to Manitoba. They look like Sterling Lyon and Gurney Evans when they signed the CFI deal in the 1960s.

Mr. Speaker, we have said for three years that we should renegotiate every condition of that deal with Repap because we would want to predict the future, not predict the past. Look at what examples the government replaced the MacLeod Stedman and Repap with. They talked about Unisys. They talked about French fries in Japan. They talked about Flyer buses in San Francisco.

You know, they have got a lot of nerve. Not only did they take the fiscal stabilization money from the previous government, they are now taking the economic examples of Manitoba from the previous government. They have got more plagiarism of economic examples in their budget than Joe Biden had when he declared for the Democratic nomination four years ago, and he resigned after he was caught.

Unisys, the Minister of Health (Mr. Orchard) has spent the last two years trying to discredit Unisys and hurting their corporation position, I might add, with selective leaks and selective condemnations.

\* (1440)

The Premier (Mr. Filmon) himself and his own health group got together a group of people, who are quasi-competitors with Unisys, to prepare a report which has been circulated to hospitals in Halifax and British Columbia, hurting the manufacturing potential of Unisys. Now they have the gall to stand up in this House, after the NDP saved the Sperry-Burroughs operations in Manitoba. They have the gall to stand up in this House, after they tried to put harpoons into the corporation, to try to take credit as an economic model for a company like that. Shame.

You know, you should not try to have it both ways. I thought what you did to Unisys in terms of leaking that report to hospitals in Vancouver and British Columbia was shameful because it hurt Manitoba jobs and it hurt Manitoba's future. It hurt a Manitoba company, and it was aided and abetted by ministers of this Crown, vindictive ministers I might add. They were so interested in discrediting the former government or trying to discredit the former government that they could not just say positive things about this company and this economic development.

French fries. I was part of a cabinet that did deal with the Carnation's plant, very low interest-free loan—

**An Honourable Member:** It is McCain's.

**Mr. Doer:** McCain's as well, Mr. Speaker. The Premier (Mr. Filmon) will also know the Carnation's plant in Carberry, developed by the previous government and previous cabinet, was again one of the developments that has produced world-wide exports, and world-wide opportunities for Manitoba.

The last example, of course, is the Flyer bus. What a difference between the divestiture of Flyer bus and the divestiture of Repap Corporation. One divestiture was handled by the New Democratic government; the other divestiture was handled by the Conservative government. One divestiture is a house of cards, and the other divestiture is doing very, very well on the international market. So again, even the examples the Conservatives use are plagiarized from previous economic development and economic activity from the previous government.

Yet the government says it now put a new focus on their economic activity. They will have now the Premier chairing a committee of cabinet, with a



group of cabinet ministers and a secretariat of people to provide a focus for economic activity, and boy, does this ever scare us to be a gravy-train operation. One million dollars I think—is it not?—a million dollars now in this secretariat. A million dollars in a secretariat, and you cannot get one cabinet minister to walk down the hall to meet with the Minister of Transportation (Mr. Driedger) to save jobs for CN in the province of Manitoba. A million dollars in a secretariat, and we cannot get a minister to get involved in the softwood lumber issue until it is on the front page of the paper.

We have got a government that has got cobwebs on every one of their thinking initiatives, and the only thing they do is have tremendous million dollar public relations where pool lights and pool sound is always available for every little job announcement and all kinds of big fanfare, but very little results from members opposite.

We suspect that this secretariat, which has a number of public relations people hired into it, will be all public relations and no substance just like the environmental innovations fund, just like the economic innovation fund after they cut the research and development. It will be all pool lights and pool sound and public relations, Manitoba flags and no performance at all for the taxpayers of Manitoba, and no initiative at all from the Premier (Mr. Filmon) who is chairing that committee.

The Premier said that his government would rise and fall over the next 18 months on the performance of the economy in Manitoba. Well, nine months have passed, and all we have done is gone down since the Premier has chaired that committee. He has got nine months left and based on his own words of economic performance.

Mr. Speaker, I want to go on on a few other items, because I want to talk about the inconsistency of the Premier and his economic statements in Ottawa. The government of Manitoba sounded like Franklin Delano Roosevelt when they went down to the Premier's meeting in early February. The Premier of this province sounded like he wanted a national reconstruction program for the whole country.

He talked about: Now is the time for leadership, now is the time to stop the rhetoric, leadership is necessary, what the public of Canada need is action, not words. Then he limps back to the province of—no, I did not mean it—or comes back to the province of Manitoba. I apologize, I did not mean it. I forgot about the injury, I do retract that.

He comes back to the province of Manitoba, and he then gets to work on his own budget.

**An Honourable Member:** Pave Wilkes.

**Mr. Doer:** Pave Wilkes, that was one idea. No, he already had in his economic statement the city of Winnipeg example. He comes back to Manitoba, and he has got three fundamental proposals to Ottawa. One, to maintain the taxes; two, to increase capital spending on the infrastructure; and three, to start investing in education and training in our young people.

The Premier (Mr. Filmon) kept his word on maintaining taxes. Many taxes last year were trickled down. We have not got all the numbers this year. The GFT taxes were trickled down last year in the budgets and trickled into the municipalities and school boards. On the issue of tax rate, even though tax income will go up, he did keep his commitment in this province.

As to the GST in Canada, the Conservative GST, thank goodness the government was able to keep that commitment. Although, the deficit is up at \$540 million, and except for a leap of faith on how he was going to deal with the deficit, we still do not know what his government will do, except some flimflam adjustments to the Fiscal Stabilization Fund, perhaps in future years.

Mr. Speaker, the government did their keep their commitment on that score. I think that the Manitobans were pleased about that account. On the second point, on capital investment, the Premier (Mr. Filmon) did not keep his word. The amount of money that the Minister of Finance (Mr. Manness) indicated in this House, \$1.1 billion in terms of authority and the actual money in the budget, is below the authority and combined amount last year.

**Hon Clayton Manness (Minister of Finance):** Well, what is authority?

**Mr. Doer:** Well, Mr. Speaker, the Minister of Finance (Mr. Manness) says, what is authority? I am glad he has asked that question, because last week we thought the Minister of Finance would roll the authority into the actual capital to try to get a billion dollar number. So the Minister of Finance says, what is authority? You know what, he is absolutely right. To get that \$1.1 billion in the budget, it is only authority. We should go down to the \$306 million which actually is the capital in the budget. The \$306 million is status quo in capital.

The projections of the Manitoba Statistics Branch for the government's own public capital spending in Manitoba are down 5 per cent. Mr. Speaker, the capital spending and infrastructure program that he talks about for the province of Manitoba is down, not up. The Premier (Mr. Filmon) mentions the capital spending in previous years. I suggest to the Premier he look at the 1990 budget where the capital spending in a pre-election year was higher than it is today. We suggest that the government is working more on an election timetable of capital spending, not an economic schedule of capital programming.

Mr. Speaker, I mentioned the Education and Training area, and this is where we really see the smoke and mirrors of the Conservative government. We really see a duplicitous position in the Conservative government. You know, you cut \$10 million out of the community colleges and post-secondary programs last year, 6,000 people affected in the enrollment in the community colleges in an access area. Then you add back a million dollars in community colleges, but you call it \$2.5 million.

Well, you know why you do that, Mr. Speaker, and I can tell the minister. He said, I will have to take that as notice or will give it in the education numbers. He knows what is going on. He is head of Treasury Board. He knows the answer. One of the reasons why they are not one of the add-ons in the—

Mr. Speaker, one of the—

**Mr. Manness:** Read the Brandon Sun already. Read the Brandon Sun. They are happy because they know what they are getting: five point—

**Mr. Doer:** The Minister of Finance says, read the Brandon Sun. Read the Brandon Sun on health care every day, Mr. Speaker. They are really happy. They are really happy about the good news budget of the Finance minister.

One of the reasons why the \$2.5 million is added on is because they have to do a major flip-flop on the applied sciences because it was a disastrous decision, based on the biases of the Premier against community colleges. But, Mr. Speaker, because that money was not out of last year's budget, and it only was effected in '92 and '93, that is why we have a discrepancy between the amount of money the government said they added back and the amount of money that actually is in the budget.

\* (1450)

**An Honourable Member:** That is right. I acknowledge that.

**Mr. Doer:** That is right, and you knew that, and I know that, and all of us know that. We did not get an answer to it today but we all know the answer.

**An Honourable Member:** Well, then why did you ask the question?

**Mr. Doer:** Well, the better question to the Minister of Finance is, why did he not answer the question today? That is a better query.

I remember when the Minister of Finance was considered a member with candour. I remember when the Minister of Finance was considered, a "straight shooter." I remember when the Minister of Finance, when he told you what a number is, you did not have to look back and forth through mirrors and smoke and permutations to find an adjustment in a previous year adjustment of a Crown corporation over to a Fiscal Stabilization Fund, up through the operating budget, down through the lapsed time. Mr. Speaker, I remember when that was not the issue. [interjection] Well, the member for Pembina (Mr. Orchard) should be quiet about ethics in government. This is probably a bad time to go into some of the good parts of the budget, but I will.

Mr. Speaker, I am pleased to see the government's initiatives in the Environmental Innovations Fund. I am pleased to see, for the sake of all of our children and grandchildren, that the government is going to proceed with maybe some recycling initiatives as suggested by the member for Radisson (Ms. Cerilli) over the last period of years and suggested by the Liberals. I am absolutely delighted they are proceeding with that. I am delighted they are proceeding with more initiatives in innovation for disposable diapers. As a person who has tried to use cloth diapers recently, I am absolutely delighted with the government.

**An Honourable Member:** How do they feel?

**Mr. Doer:** Well, they feel pretty interesting some days in July, Mr. Speaker, but I think our landfill sites are better for it, I hope.

Well, the member for Pembina (Mr. Orchard) will have a chance to prove his leadership in this issue, because hospitals are using disposable diapers, and we will see what the Minister of Health (Mr. Orchard) does in terms of keeping through the commitments with the Minister of Environment (Mr. Cummings). [interjection] Well, the member for

Pembina has got these—he is barking again, and usually when he is barking he cannot tell us what he is going to do on a certain initiative.

Mr. Speaker, youth employment—I am glad the government did a minor flip-flop on youth employment, but it is not nearly to the levels, as the member for Brandon East (Mr. Leonard Evans) said, to where it was when the youth unemployment was much, much lower a couple of years ago.

I am pleased the government is looking at transportation policies. I would have been happier if the Premier (Mr. Filmon) attended meetings of the transportation minister to help us on CN, but I think some of the ideas to take advantage of our geography and some of the ideas to take advantage of our time zone are good initiatives. We will work with you on those proposals.

I do not know what the 1-800 number means exactly, and I do not know what the aviation fuel tax revenue issue means, but I think that, Mr. Speaker, to try to take advantage of our geography is something we did, is something the government is doing, and I think that is a good idea. I say to the First Minister (Mr. Filmon), we will work with you on our geographic situation in transportation. Transportation is a goal and objective for all of us, and I say to the government, anything you can do to help our situation, I am happy with it.

(Mr. Bob Rose, Acting Speaker, in the Chair)

Mr. Acting Speaker, we continue to be both encouraged and worried about the Grow Bonds situation, and we will work with the government on helping communities in the Grow Bonds situation. We have not seen any results of it. We have seen lots of press releases of it. We are worried about the discrepancy between the North and other rural communities, but we generally think that is a good idea, and we support it.

Mr. Acting Speaker, we also think the Crocus Fund, which has been announced and announced and announced and announced again, and the co-operative attempts are good ideas. It was announced in the '88 budget of the previous Minister of Finance. Those are good ideas, and we will have to see what happens. We will watch it very carefully. There is no beef in these things, but we will have to watch it in terms of results.

In terms of spending, Mr. Acting Speaker, I want to comment briefly on spending. We cannot tell where the government is going on spending because every time they give us a number, they put

charts up for their budget presentation to get it in the media for the next day, we see something different by the end of the year. The most classic example is in the area of health care, \$100 million underspent in the last three or four years. We have no idea what is going on in health care in terms of actual spending, and so we cannot rely on the Minister of Health (Mr. Orchard), and unfortunately, we cannot rely on the Minister of Finance's (Mr. Manness) budget on health.

We will rely on patients. We will rely on people working in the health care system. We will rely on the people of Manitoba in terms of health care priorities. We will not rely one iota on government press releases, on government statements in their budget, on government numbers. They have proven to be a mirage in the past, and we will deal with the real facts in health care and the real suffering that is going on in our health care system, not words from the government.

Our philosophy on health care, Mr. Acting Speaker, is *facta non verba*, deeds not words, and that is where we will be going in terms of our health care. We will watch the government in terms of mental health—[interjection] Well, do not knock St. Paul's.

In terms of health care, we are concerned that mental health reform has been a huge edifice in downtown Winnipeg, and when it comes to funding the Mount Carmel Clinic in the inner city, there is nothing. We are concerned that mental health reform is money for an edifice in downtown Winnipeg and no resources in Selkirk. We are concerned that mental health reform will be an edifice in downtown Winnipeg and nothing in the community for the Misericordia Hospital. Again, we will watch not what the minister says, but what the ministers does in terms of his health care.

We are concerned about Pharmacare. We are concerned about, again, the user fee in ambulance for northern patients, and we continue to see a deterioration of the economic situation for people relying on ambulances and people in northern Manitoba. Mr. Acting Speaker, we will have many more words to say about health care. Suffice it to say that we will judge you by what you do, not by what you say.

In terms of education, again, the same smoke and mirrors situation. I have already talked about community colleges. We are very disappointed that the new minister would carry on with the duplicitous

practice of the previous minister. I have not talked to one school division yet that is getting the kind of increases the minister would lead people to believe. In fact, yesterday, we were getting calls from people saying, are they going to up our grant? Are they going to increase our grant? [interjection] Did we see it?

The minister should know that she or he—all ministers earn their reputations very, very quickly in this House with the public, and everybody yesterday who watched the 6 percent in Education will be looking at their budget line to see if 6 percent will come through.

It will not come through in the community colleges, it is not going to come through in the universities, it is not going to come through in the public school system. Again, it is just recycling some money but in terms of the real—[interjection]

Mr. Acting Speaker, again, the charts yesterday were talking big numbers and the minister's credibility is on the line. It is too bad that the minister had to—[interjection] The Premier, who is suffering from premature bunkerism, is again talking from his seat.

\* (1500)

School divisions saw your numbers and your public relations numbers yesterday, and they are comparing them with their grants. They see a huge discrepancy, and you will have to account for those discrepancies with the public.

Again, Mr. Acting Speaker, it is interesting to see some of the administrative components of the Department of Education, massive increases in the Department of Education in terms of administrative components.

In terms of Family Services, minor increases in child and family services in terms of delivery to families, major crises going on in the Department of Family Services in terms of the delivery to the public, Mr. Acting Speaker. But the real increase in family services and social assistance, I have already stated that it is a crime that the government would increase social assistance close to \$90 million in less than 12 months and not try to divert some of that money to get people, employable people, working. That is why, if the government believes that people staying at home with no dignity is better than trying to deploy some of the employable people to helping our infrastructure, they are sadly, sadly mistaken.

Mr. Acting Speaker, we will comment on other government departments. Natural Resources, again, their privatization attempt; Culture, we have cutbacks in Community Places, again the communities in Manitoba are suffering with your budget. Agriculture, we see just, again, the slavish support of the federal government in terms of their budget. Environment, as I said, there are some good things in the environment. Northern Affairs, we continue to see decline in government supports and government departments for people in the North.

A small cut in Keewatin Community College and that is consistent with past budgets. Labour, we see the Pay Equity Bureau cut by one position. Highways, we see the elimination of maintenance, which again is inconsistent with their position on capital. Rural Development, after the Minister of Justice (Mr. McCrae) told us we had peace in our time, we see again a decline in actual support for policing services. A Core Area Agreement, again without any fanfare from members opposite; the Core Area Agreement has continued to decline in terms of its support and wither away.

What are some of the alternatives, Mr. Acting Speaker? We would have a real partnership with all players in our economy. We would call a real urgent crises economic summit with business, labour, government and people who have experience in research and development. We would bring all those people together in an open forum to talk about how Manitobans can work their way through this recession and this depression.

We would have a real economic summit with real people, instead of having a back-room cabinet committee that is doing nothing. We would stop the trickle-down theory of government. It has not worked because people in Manitoba are not working.

We would take those tax breaks for corporations that have been in the last four budgets and place those to real long-term job creation experts. Mr. Acting Speaker, we would have real capital projects. We would have real innovation. We would have real job creation strategies, not the kind of strategy that we see from members opposite.

I give the member for Pembina (Mr. Orchard), who tried to harpoon the Unisys project, an example. We would do what we did to Unisys in the 1990s, not like you are doing to MacLeod Stedman in the 1990s. For the people who are employable on social assistance, we would have a work strategy,

not a welfare strategy, like members opposite. We would take the \$90 million in welfare increases and take some of that money and reprioritize it to give people dignity and give people a job. Dignity is not a word that the member for Pembina believes in, but it is a theory that the New Democrats believe in. We will practise it when we are in government. We would abandon—

**An Honourable Member:** You would be on your knees to the bankers; that is where you would be.

**Mr. Doer:** The member for Morris (Mr. Manness), with a \$530 million deficit, should be ashamed of himself.

We would have a multilateral trade strategy. We would not follow through in the fortress North American strategy that we see with members opposite that has resulted in a \$500-million increase in deficit of trade with Manitoba and the United States, and that is before the recession hit Manitoba. Multilateral trade is a better way for Canada to go, and it is a better way for Manitoba to go in the future.

We would not provide those training allowance grants that the government cannot even flow to corporations, the \$7 million. Remember that two years ago; remember that grant you announced two years ago. How much have you flowed? —[interjection] That is right; you have not flowed very much. You do not have a criterion. You do not have an administration. You do not have a follow-through. You do not have anything. We would take that \$7 million and place that back in our community colleges, back for real education and training. That is what we would do as an alternative, not these corporate breaks.

Mr. Acting Speaker, the final statement is that we would have meaningful capital programs. We would practise the words the Premier (Mr. Filmon) used at the First Ministers' meeting and have a national reconstruction program and a national reconstruction program in Manitoba. Now is the time to move up the capital projects in this province and get people working again, not have the high unemployment and high welfare.

Mr. Acting Speaker, the biggest audit of this government's performance is the fact that you are again this year projected to be below the national average in terms of economic growth after five budgets and all your theories of trickle-down and all your tax breaks.

**An Honourable Member:** Wait until the next forecast comes out.

**Mr. Doer:** This minister says: Wait until the next one. We have waited five budgets and we have gone down and down and down in terms of economic performance. Manitobans cannot wait for the next budget. Manitobans cannot wait. They have waited five budgets, and you have gone steadily down from the legacy that you inherited, down to the legacy of high unemployment and high welfare.

Mr. Acting Speaker, last year the Premier said he would step aside and let the private sector do it. He is failing, and his government is failing. It is time that the government stepped aside. Therefore, with regret, I move, seconded by the member for Brandon East (Mr. Leonard Evans)

THAT the motion be amended by deleting all the words after "House" and substituting the following:

Regrets that:

- (a) by the government's own projections, economic growth in Manitoba will be below the national average; and
- (b) this below average economic performance will lead to continued unacceptable high unemployment, increased numbers of Manitobans on social assistance, more and more discouraged workers leaving the labour force and further reductions in our province's services for people; and
- (c) this government refuses to take action to fight the effects of the worst recession since the Great Depression.

THEREFORE this government has thereby lost the confidence of this House and the people of Manitoba.

**The Acting Speaker (Mr. Rose):** The amendment is in order.

\* (1510)

**Mr. Jack Reimer (Niakwa):** Mr. Acting Speaker, I find this as a great pleasure not only to stand up today to speak on the budget presented by our Minister of Finance (Mr. Manness), but to follow—[interjection] Yes, that is right.

To stand up after the Leader of the Opposition is truly a great pleasure, because, as mentioned, the Leader of the Opposition is just that, the Leader of the Opposition. It would not be appropriate that he have anything good to say because he has to live

up to that name, not only the opposition to the budget but the opposition to anything that comes forth. So it is very appropriate and indeed a pleasure to stand here to speak to this government's fifth budget in a row that has said, no increase in personal income tax for Manitoba, a budget that will see more money kept in the pockets of Manitoba's families.

The budget builds on a solid record of fiscal, responsible decisions, decisions that have not always been easy or simple. I would like to repeat though for the honourable members across the way. You see, many challenges in life are neither simple nor easy, and no amount of simplistic narrow-minded propositions put forth by members opposite will change that fact.

I am simply amazed to read the comments of the Leader of the Opposition (Mr. Doer) in the newspaper this morning. I would just like to quote on that, because there seems to have been a smattering of the word "hypocrite" coming across from the other side. I feel that when you have the dukes of duplicity sitting across from me here, it just seems to roll around here in hollow rhetoric when it comes from that side of the House.

I would like to point out a quote in today's paper by the honourable member for Concordia when he is talking about the so-called rainy day fund that was set up. I will quote: They have no business taking an asset and putting it into the new budget.

What a profound statement to come from the Leader of the Opposition, the member for Concordia, because I would like to go back to Hansard, back when he was talking on the budget debate. This is, again I repeat, the Leader of the Opposition, the member for Concordia, because I feel that should be recorded in Hansard so I repeat it again. This is back in June of 1989 when he stood up here in this same Chamber and he said: We will work with these groups to put pressure on the government, this government, to take money out of the rainy day fund because for many Manitobans it is raining now. We all know that when you have a rainy day fund and the roof is beginning to leak, you take some money and you spend it on fixing the roof. The roof is leaking in terms of our health system. The roof is starting to leak in terms of our economic prospects.

I would think that because on one hand yesterday he is talking about that we should not take it, and back in '89 he is saying that we should take it. He

has it this way. He has it that way. It just keeps coming, and we do not know which way the Leader of the Opposition is coming from. The rainy day fund, as he refers to it, was set up to help in getting through deep and difficult economic times, and that is exactly why the fund had to be used, part of the fund this time.

I realize it is his job to criticize everything the government does, but how in the world can anyone look at a budget that has no increases of personal income taxes, no increases in business taxes, no increases in sales tax rate, no increase in provincial debt, and they call it a do-nothing budget. The budget increases spending by \$101 million or 5.7 percent increase in Family Services.

I would like to point out that, as was previously mentioned by I believe the Premier (Mr. Filmon), there was a petition or a budget presented, if you want to call it, by the group called Choices. The give-me groups from the New Democratic Party called for an increase in Family Services of 5.1 percent, and this government came through with an increase of 8.7 percent.

It seems ironic that the members over there say that there is a do-nothing budget, a budget that does not increase spending or a budget that does not address the problems. In the same time we have increased spending to Education and Training by 5.5 percent, an increase of \$52 million. The give-me groups, as mentioned before of the NDP—or Choices, as they prefer to be called—were advocating a \$2-million increase for community colleges. I believe the increase was approximately \$2.8 million in that particular area. We have to look at hard realities at what the NDP is advocating and what is coming about because of the budget.

At the same time, as has been mentioned from time to time, we must look at some of our neighbours and what is happening with funding in that area because the NDP and, in particular, the Leader of the Opposition (Mr. Doer), have been on record as saying that they—he particularly has pride in what is happening in Ontario in the fact that he will debate them with pride anytime in what they are doing and how they are handling the budget. In fact, I believe he said that we are proud of what Ontario is doing and we will debate them with pride at any time. I would ask some of the members who are sitting opposite about the 2 percent increase that was proposed in Ontario in social services, whether the members from across the way would have that type

of pride in debating that. Their leader has the type of pride in saying he is proud of it, but I do not believe that some of the members would be proud of it.

I would like to comment a bit on what the Leader of the Opposition talked about when he was just a few minutes ago talking about not good news. I would like him to go to the North and say that it is not a good-news budget when he talks to the people in the mining community. Talk to the member for Rupertsland (Mr. Harper) or the member for Fiin Flon (Mr. Storie). Talk to them about a not a good-news budget when the mining industry is going to reap the benefits of a tax advantage. Talk to the rural people in some of the ridings, like the member for Swan River's (Ms. Wowchuk), where the agricultural budget was increased 21 percent, an increase of \$23 million, and say that is not good news. Those are the things that they should take back to their constituents.

The Leader of the Opposition (Mr. Doer) also talked about Crown corporations. I find this tremendously ironic that the Leader of the NDP would talk about Crown corporations and accountability of Crown corporations. When we look back at 1988, the member for Concordia then said regarding Crown corporations: I say we should make promises and commitments on Crown corporations, and I say that we have to have the leadership to accomplish these and we should be held accountable when we do. This was the member for Concordia, the Leader of the official opposition now.

We should look at the record of the Crown corporations during that time. I am referring to the period between April 1, 1986, to March 31, 1988. This is under the NDP administration, and I must point out under the stewardship, if you like, of the then minister for public investments, who happened to be the member for Concordia (Mr. Doer). When we look at how the Crown corporations were managed during that time, as mentioned between '86 and '88, MPIC lost \$125 million, Hydro lost \$60 million, MTS lost \$48 million, MDC lost \$42 million and Manfor lost \$42 million. This was a total loss of Crown corporations, under the stewardship of the NDP government, under the guidance of the then minister of public investments, the member for Concordia, of \$317 million.

**An Honourable Member:** Was that just for one year?

\* (1520)

**Mr. Reimer:** That was between April of '86 to March of '88, a period of two years.

I say it is totally ironic that the Leader of the Opposition now can stand up and talk about accountability and fiscal responsibility when under his stewardship, while he was in cabinet, Crown corporations lost \$317 million. It just is a further compounding of, as I mentioned earlier, the dukes of duplicity who sit on that side of the House. It just goes on.

I would like to point out, too, at the same time, that during that time there were audits conducted on the Crown corporations. The Leader of the Opposition backtracked very fast a little while ago when he was talking during his speech on the budget here, because he mentioned something about the audit at the time of the—when this budget is put to audit.

We must look back to 1984 when the then government was the NDP government. At that time the auditor was Bill Ziprick. Bill Ziprick at that time would not sign the government books, would not sign the audit because of the so-called creative accounting that the NDP government put forth at that time. In fact what the auditor said at the time was, and I quote from the Winnipeg Sun back in 1984: No way can I certify a \$165-million debt is the net deficit, because if I do that, Manitobans will be misled to believe that our deficit is only \$165 million.

Whereas, actually what he was advocating was that the debt was \$428 million. What was happening was they were staggering the reporting times of the Crown corporations so that they did not come into the books.

**An Honourable Member:** Cooking the books was what they were doing.

**Mr. Reimer:** Sometimes it is referred to—and I certainly would not refer to it as a government practice, but sometimes in the business community it is called cooking the books. I would not call that cooking the books in here, because I would think that it is close to being an unparliamentary statement. I certainly would not call that cooking the books of any government but, at the same time, when the Auditor would not sign the books, I would think that there is a certain type of meaning there. Then again, it is all a matter of interpretation.

There was criticism quite a bit at that time. In fact, the Finance minister at that time, who was Vic Schroeder, was asked about this creative accounting that was going on with the Crown

corporations. At that time, he dismissed it as just an accountant's opinion. Well, that seems kind of odd, because I would imagine when the governments go to the lending institutes, whether they be in New York or Zurich or even here in Canada, in Toronto or Montreal or wherever the governments would go to borrow money, who they would be dealing with would be, I would think, accountants, people who know how to read books, people who have been involved with books.

Here, the government of Manitoba, under the stewardship of the NDP at that time with, as I mentioned, the Leader of the Opposition, the member for Concordia, being in the cabinet and then the Minister of Finance at that time, Vic Schroeder, they would go to the lending institutes. They would just dismiss the chief Manitoba Auditor, Bill Ziprick, who would not sign the books, and they would just say, well, that is just another accountant's opinion, so I think that they would just dismiss it.

You see, these are some of the things that the members from the other side forget. They forget these things when they sit in opposition. In fact, when the NDP first came back in 1981, the debt at that time for the province was \$1.4 billion. That was back in '81 when the NDP was in power. When they left in 1988, the debt went to \$5.2 billion. On a per capita basis, this represented an increase of 240 percent from about \$1,400 per person in 1981 to almost \$4,800 in '88. Public debt cost rose from \$114 million in '81-82 to \$490 million in '87-88 when the NDP left office. At that time, I find it very ironic that the members on the other side throw back to this side, we left you a surplus—we left you a surplus.

My background is business. A debt is a debt is a debt. They seem to have some sort of revelation that they left us a surplus, when the debt was over \$500 million. I just cannot fathom how they give us that surplus. Surplus, to my idea, would mean that there is no debt. A surplus means no debt. That is the way I interpret things when I look at my financial statement. I mean, if there are brackets around it or there is a minus beside it, that means there is debt. That is debt, so debt is debt. I do not know how they look at that. You see, this is why the members will always say that we left you a surplus. Then, you see, the members there said we should be creating jobs, we should get involved.

In fact, I believe during the campaign, the NDP member for Concordia, back in September of 1990,

said we would use the same kind of measures to stimulate our economy and bring our children back to work as we did in the '80s. My goodness, what a legacy to bring back, \$500 million a year in debt and they would bring back, at that time I think it was called the Jobs Fund. I think when the Leader of the Opposition or the member for Concordia (Mr. Doer) was part of the MGEA he would criticize the government at that time, which was the government of Howard Pawley, and say all the Jobs Fund was doing was creating green signs that were hanging up here and there. There was no real Jobs Fund.

We have to look at another part of the Jobs Fund, which was the Venture Capital program. The Venture Capital program was also part of the Jobs Fund, and at that time analysis of the Venture Capital program, which was part of the Jobs Fund, made investments of just over \$6 million, made between the periods of October '83 and November '88. It has been noted that this part of the NDP Venture Capital program—it was discovered that there was a write-off rate of 67.7 percent or \$4,355,000 projected to April of 1994. This is a write-off rate—

**An Honourable Member:** Big bucks.

**Mr. Reimer:** Big bucks is right, because the investments that we are looking at that the NDP government were so proud to bandy about show a write-off rate of almost 68 percent of the money that was invested. Mr. Acting Speaker, I think that the duplicity and the hypocrisy that comes across is hard to fathom at times because of the fact that they do not know which way to move on these programs.

I would like to move over to—as mentioned before, when the session was first opened here there was a motion put forth by the opposition for a debate on the severity of the economy at the time. At that time, the Speaker ruled that in essence the debate could go on at a different time, but because of this side of the government realizing it was necessary to ascertain all aspects of a debate on the economy, it is important.

\* (1530)

We are definitely faced with severe times and any type of suggestion or guidance that this government seeks should come from all sides. There was an agreement to go ahead with a debate on the economy with the idea that this government would have the opposition come forth with sound



suggestions, guidelines, principles that could be incorporated for growth here in Manitoba.

We listened with interest to the various members stand and talk about the economics in Manitoba. Indeed, what happened, it just seemed to go on in a blame circle of what we were not doing and what was wrong with the government. We saw very little messages or suggestions or direction come forth from the NDP. In essence, the opposition have great delight in being exactly what they are labelled with, as opposition.

As mentioned with this budget coming down, we can take pride in the fact that the spending and the diligence that has come forth by the Minister of Finance (Mr. Manness) and this government. We are increasing spending as mentioned before in the area of health care with an increase of \$101 million, which represents a 5.7 percent increase in spending. We are talking about an 8.7 percent increase in Family Services which is about \$51 million, and a 5.5 percent increase for Education which is \$52 million.

We have to look back again to who is in the opposition. The NDP at the time, when they were in government, and at the time the now critic for Industry, Trade and Tourism, the member for Flin Flon (Mr. Storie), was the Minister of Education back when the NDP were in government, which was back in 1986, the Minister of Education, as mentioned, who was and still is the member for Flin Flon, they increased funding at that time to the universities by 2.7 percent at a time when the provincial revenues were increased by three times as much as the 2.7 percent that was given to the universities, and at the same time, the federal transfer payments were twice as much.

You have got to ask where were the priorities at that time when they were in government? In fact, the then Minister of Education, as mentioned, the member for Flin Flon (Mr. Storie), and this is still again back in 1986, addressing The Manitoba Teachers' Society, his attitude was, and I quote: The cost of maintaining our education system is accelerating more rapidly than our ability to fund it. It is not heresy to ask teachers to look at having no increase.

This is the Minister of Education back in 1986 giving an NDP funding of 2.7 percent when revenues were three times more than that and the federal transfer payments were twice as much, and yet the then Minister of Education from Flin Flon was

saying that it was not heresy to ask teachers to look at having no increases in salary.

Mr. Acting Speaker, the members opposite have very, very short memories. At the time when we look at our neighbours next door in Saskatchewan giving, another NDP government, coming out with increases of zero this year to the universities and the school system and zero again next year, we have to ask where is the emphasis? Where is the accountability? Where is the concern for the people in Saskatchewan?

We talk about Ontario, another NDP government. We look at what their allocation is for education and hospitalization, and we look at a 1 percent in Ontario. We have got to look at education in Ontario and say what will this mean to Ontario? What will happen to Ontario with a 1 percent transfer payment? It will mean double digit property increases in Ontario. It will mean program cuts and employee layoffs. In fact, what it may mean is teachers will have to have a rollback in salaries.

The NDP, the bastions for the little people, the bastions that they go to the public when they say the working people, the party for the ordinary people. They seem to always like to call themselves the party for the ordinary people. The party on this side is the party for all people because all people, whether they are here in Winnipeg, in the rural areas, or any part of Manitoba, are special people. The party on the other side, they can look after the ordinary people; we will try to look after the concerns of all people for Manitoba.

We look at Ontario again. It is important to bring forth the facts of Ontario because as mentioned, the member for Concordia has mentioned in Hansard in April of 1991: If you want to debate the province of Ontario, my friends, I will debate it, and we will debate it with pride any time.

The Leader of the Opposition, this is the pride that they now take forth here. I wonder whether the member for Burrows (Mr. Martindale) feels pride in the fact that they are only getting 1 percent in family services, where here in Manitoba we have announced family services increased by 8.7 percent. What type of pride would he have that his leader has in Ontario now?

Colleges and universities as mentioned, one percent. Now you can ask, well, where did the money go in Ontario? There has to be money available. Well, there is money available, certainly there is money available, because the NDP gave 11

percent to the senior civil servants, 11 percent increase to the senior civil servants, an overall increase to the civil servants in Ontario of 14.5 percent. There is their emphasis; there is their direction; there is their drive; there is where they feel the importance is, not in the colleges in the universities, but looking after the senior civil servants with 11 percent increase, and overall to all civil servants in Ontario of 14.5 percent.

It has been estimated that the tuition fees in Ontario will go up 29 percent because of Ontario's NDP philosophies there, the hospitals in Ontario with 1 percent increase. Ontario indicated that they would need 8.6 percent to survive. With the last funding of 1 percent, this could result in the loss of approximately 13,000 jobs and the closure of 3,500 beds in Ontario.

Now, one of the members across the way says, well, we are talking about Manitoba. That is true, we are talking about Manitoba, but we have to bring into perspective the concepts and the beliefs and the driving force for the NDP here in Manitoba. The party of the want-to-be's. That is the want-to-be party. They want to be leaders; they want to be like Ontario. There was joy, there was exuberance when Ontario went to NDP. They want to be like them too. We want to be part of that team.

\* (1540)

Saskatchewan, they came into power, we want to be like Saskatchewan because they are an NDP party, because they are the party of the want-to-be's. Now B.C. has gone NDP, we want to be like B.C. We like them. Now we see what the NDP in those three provinces are doing. They are not spending anything except on themselves. B.C., the civil servants got 12 percent. What did the other ones get? B.C., 2 percent for education, but there are the priorities.

The party of the want-to-be in Manitoba will stay the party of the want-to-be as long as this government chooses the course that we have. Well—

**An Honourable Member:** I do not want to be.

**Mr. Reimer:** I do not want to be, that is right. In fact, I think that we should rename the New Democratic Party to the new dinosaur party, because there is a lot of backward thinking there. I certainly would not want to reflect on any members of the New Democratic Party, but when I say the new dinosaur party, because one of the things with the

dinosaur party—the dinosaurs—is they are an extinct species, not to say that the New Democratic Party here in Manitoba is extinct, but I would think that they are close in their thinking.

They have outlived their usefulness, they are slow and prodding, and I guess at times, you know, very small thinking. So I think that the new dinosaur party across the way, it may be apropos at the time. I certainly do not want to add any besmirchments to the dinosaurs if there are still any around. I will leave it with what is on the record.

**An Honourable Member:** The federal Tories are the dinosaurs.

**Mr. Reimer:** Oh, yes. Yes, we can look other places for excuses. One of the comments that has come out of Ontario in the last while is Premier Bob there, he is—

**An Honourable Member:** Premier Bob-and-weave.

**Mr. Reimer:** Premier Bob-and-weave, as one of the members mentioned here, has been a strong opponent of the social charter.

**An Honourable Member:** No, actually he is a proponent.

**Mr. Reimer:** A proponent of the social charter. This is a program that would incorporate social programs into the Constitution. We must say, well, maybe he should lead by example. He should lead by example and show the rest of Canada how he is socially concerned about his people and his province.

I guess his concern is only 1 percent; because there is his concern, 1 percent. That is the concern that Premier Bob has for his social charter. [interjection] Civil servants, that is true. As the member has mentioned, the civil servants, yes, with their 14.5 percent increase, he is concerned about that. That is the content of his concern, so we must look at what they do.

Even then, the Premier of Ontario, Premier Bob, he has to backtrack a bit because now his Minister of Community Services there in Ontario is saying that the government cannot afford it now. This is Ontario, this is where they are talking about daycare and family services, and they say the government cannot afford it now, and it does not know when it will be able to afford it. We have the Premier of Ontario saying that a social charter is good. It is a nice catchall, it is a fuzzy feeling, fuzzy and warm feeling, and I think that it encompasses the

goodness and richness of life that we would all like to see, but at the same time, there is no substance to it. When his own minister says, well, we cannot afford it. So they roll through it on one side, and then they roll back on it on the other side.

In fact, what is happening in Ontario is we see the unions are even launching a bit of aggressiveness towards their own government. In fact, in the Toronto Star just recently, I just happened to notice this article. [interjection] No, I missed that selection. This is a different one. [interjection] You mean the big one that said, boob the Bob, or Bob the boob? Well, we will get it right somewhere along the line. It seems to fit anyways, either way it was.

I would like to point out that one of the bastions of NDP support is the unions, and they work hard and long and diligently with the union. But in Ontario the union has launched a massive campaign against the NDP's planned health care program. The president of the Ontario Hospital Association has warned that up to 13,000 hospital workers may be laid off because of the New Democratic Party's austerity plan. Ontario just seems to be just having a lot of fun with their new NDP party.

Then again, they get help, they do get help. I should point out that they recruit strong people. In fact, we here in Manitoba contributed, in a sense, to the Ontario—well, I should not be talking about it in a gleeful manner itself. But there are people here in Manitoba who are now in Ontario who used to be here in Manitoba. In fact, they used to work here in Manitoba. I just happen to have a few of the names. [interjection]

Let me see now, it is in reference to the civil servants in Ontario, and in fact it says there is strong affiliation with the NDP in Manitoba and politically in tune with the new government—politically in tune with the new government. It sounds very fine, you know, they are politically in tune. These are the people who used to be here in Manitoba, and references to Michael Mendelson who is deputy secretary of the cabinet, J. Kauffmann, secretary of Treasury Board, Mark Eliesen, Deputy Minister of Energy, who became a chief executive officer and a chairman of Ontario Hydro.

That is an interesting proposition. I believe that when Mark Eliesen was here in Manitoba working for the NDP party, the salary at that time was just over \$100,000, I think it was between \$100,000 and \$120,000; a very good salary, a high-paying salary for one of the mandarins, I believe it was, with the

NDP party. When the Ontario government came, he moved on to Ontario. He then peddled his services to the Ontario government and I believe at that time he asked \$430,000 a year—\$430,000.

Then the government there, the public found out, and the people said, hey, what is going on here? He got \$120,000 in Manitoba, now he is in Ontario asking \$430,000, so they rolled it back to \$260,000.

I feel that in summary that the NDP or the Leader of the Opposition (Mr. Doer) has come forth to the position that is totally unacceptable in the fact that the only thing that he can come up with is opposition. That is his name, that is his plume. I would say that, as mentioned, the dukes of duplicity are doing a great job over there. Thank you very much, Mr. Acting Speaker.

**Mr. Leonard Evans (Brandon East):** Mr. Acting Speaker, well, it is my pleasure to participate in this 1992 Budget Debate. I will do my best to talk about Manitoba problems and try to offer some suggestions to the government instead of being totally off base with all kinds of erroneous statements and false assertions, and so on. There are some many false assertions and so on, I will not even take any time of my 40 minutes to try to contradict them.

Well, Mr. Acting Speaker, there is no question whatsoever that the No. 1 problem facing this province today is heavy unemployment and a recession that will not go away. This economic recession that we are having is probably—in fact, I know it is the worst recession, it is the longest recession we have had since the Great Depression of the Dirty Thirties.

I know the Minister of Finance (Mr. Manness) and the Premier (Mr. Filmon) and others opposite will say, but remember there is a North American-wide recession. Indeed there is, there is a recession in the United States, there is a recession across Canada, and I would be the first one to say that the American government has a responsibility and American states have a responsibility to address the question of unemployment and of the continuing recession.

The federal government, which has far more capacity than any provincial government, must address the question with their fiscal ability, and also with appropriate monetary policies, but, regrettably, none of those governments reach virtually—neither the federal American nor federal Canadian government is really attacking the problem.

\* (1550)

Mr. Mazankowski in his last budget was just hoping the recession would go away, and we are just going to wile away our time. We are going to wheel away, we do not know—like a rudderless ship, the Canadian economy is floating along and, indeed, Mr. Acting Speaker, we are floating into very stormy seas.

I dare say that if we did not have the various social programs that we do have, unemployment insurance, and various kinds of other social security measures, many of which came out of the experience of the last great recession or the Great Depression of the 1930s, when people were going from coast to coast looking for work, riding the rails, when there were riots, when there were food riots, when there was fighting between workers and RCMP and when we had a terrible scene. I say, we learned as Canadians that we just cannot tolerate that, and we have to have social programs, a social safety net, and indeed this country did develop that since World War II.

If it was not for that social security net that we have developed, we would have food riots in this city, we would have food riots in other cities across this country.

Mr. Acting Speaker, the problem as I see it, though, is that we have an intolerably high level of unemployment, and we have people who are suffering in more ways than we can imagine. If you want to look at the source of many of our social problems, many of the family disputes, indeed, much of the abuse that we hear about today in families and so on, a lot of it can be traced to excessive amounts of unemployment and all the ills that unemployment brings.

I say governments collectively have a responsibility to address this No. 1 question. I admit right off the bat, and I have said this for years, provincial governments are limited in what they can do to fight recessions. We are not an economic island unto ourselves. Nevertheless, we can do something, hopefully in unison, in co-operation with the other provinces and indeed in co-operation with the federal government.

Mr. Acting Speaker, we have to look at the economic reality. We cannot ignore the economic realities as Mr. Mazankowski is doing in Ottawa. I believe that we have to have economic policies that became very popular after we had massive unemployment in the Dirty Thirties.

Indeed, Mr. Acting Speaker, there is a change in thinking in this country, as the recession drags on, among business leaders and among banking leaders who are now calling upon the federal government to engage in more deficit spending.

Yes, they know the federal debt is big, but even the chairman of the Bank of Montreal has said that the unemployment situation and the recession and all the consequences from that are far worse than increasing the national debt.

I say that the economic philosophy which says, we should simply cut taxes on business and we will therefore encourage economic growth, is not adequate. Yes, tax cuts can attract business, tax cuts can assist, tax cuts can provide incentives, but they are very limited in their ability during times of underutilization of plants and factories.

When we have factories and other kinds of businesses that are unprofitable, that have no income, there is no incentive by way of taxes to a company that is already not making income, not making a net income, not making a profit. If you are underutilized in your capacity, what business person in their right minds would want to engage in further plant investment and expand if they cannot sell what they are already producing?

When you talk about tax cuts, when the Minister of Finance (Mr. Manness) and the Premier (Mr. Filmon) talk about tax cuts, they are talking about the supply side. They are trying to reduce costs on the supply side.

**Some Honourable Members:** Oh, oh.

**Mr. Leonard Evans:** Just shut up for a moment and listen, learn a few things, learn something. Keep your eyes and ears open and your mouth closed, and we will have a good debate.

**An Honourable Member:** Mr. Acting Speaker, I apologize, but I wonder if I could ask the honourable member a question. He obviously said something of importance and I missed it. Could he perhaps repeat it?

**Mr. Leonard Evans:** Mr. Acting Speaker, obviously I was addressing people who were rudely interrupting me while I was waxing eloquently over some economic policies.

I say that this government has a wrong economic philosophy if they think we are going to get economic growth simply by adjusting taxes and giving tax credits. They do not hurt. Of course, they do not hurt, but that is not the source of the problem.

The source of the problem is lack of demand for the output of our industries, lack of demand for the output of our farms, lack of demand for the output of all kinds of businesses and industries.

(Mr. Ben Sveinson, Acting Speaker, in the Chair)

What we have to do is what has been done in other times by other jurisdictions to get the economy going, and that is to stimulate the aggregate demand in the society—

**Mr. Manness:** We are only a million people.

**Mr. Leonard Evans:** The Minister of Finance (Mr. Manness) says we are only a million people. I said a moment ago that we are one province among 10. We are not an economic island onto ourselves. We have great limitations. I am sorry to say this, but we are a relatively poor province. I am sorry to say this, but we are.

All the economic statistics show that there are many other provinces in this country that are wealthier than the province of Manitoba, and that is to take nothing from our people. We have fine people, we have great workers, we have good managers, we have good people who work in our factories and the farms and the industries, and so on; but try as we may, we have certain limitations. One of which, of course, is the weather. We have a little too much winter at times, but we have other limitations as well. Nevertheless I say, in co-operation with the other provinces and with the federal government, we should be aiming at stimulating the economy.

The Premier (Mr. Filmon) knows this, too, because when he goes to Ottawa, as he did not too long ago, and talks about the need for public infrastructure investment, proposing that the federal government engage in this, he is admitting, by making that suggestion, that there is room for some stimulus by government. I would agree with him. The federal government has the capacity to do this. The federal government absolutely has infinite more capacity than the province of Manitoba.

The point is he has accepted, and I believe even the Minister of Finance (Mr. Manness) has accepted, the idea that there is a possibility for governments to stimulate the economy. So I say that what we have to do is to direct our spending and our taxing policies to the extent that we can. We should direct them at doing whatever we can to stimulate demand.

If we can stimulate demand, we will do enormously good things for business in this province and for workers in this province. If there is the demand for the output of all of the various industries right through from agriculture, mining, manufacturing, retail sector, and so on, and you have a stimulus in the demand; then people will begin to sell and businesses will begin to hire workers.

Mr. Acting Speaker, the fact is that the government is not directing its attention to the stimulus of demand. That, to me, to put it in a nutshell, is what is required, and I am pleased to note that finally some very important, very serious business leaders and banking leaders in this country have made public statements to the effect that government should start looking at the stimulus, at stimulating the economy.

I note that the government has depended very much on its rainy day money, its rainy day fund, to ensure that the bottom line deficit was not any bigger than it is; but, obviously, if it were not there, you would have a deficit of over \$400 million-\$500 million. I would say this, that given the fact the rainy day fund seems to have really been depleted, the government and the Minister of Finance (Mr. Manness) are going to have, indeed, a very, very serious problem in the next year in trying to come up with a deficit that is not excessively large.

Whoever is Minister of Finance next year, whether it is the present Minister of Finance (Mr. Manness), whoever, is going to be faced—[interjection] Well, maybe it would be the member from Arthur, who knows? I do not know, I am not saying that. In fact, I hope the present minister stays in his position. I do. Nevertheless, I am saying, whoever will be looking at another deficit, and when we set up the Fiscal Stabilization Fund—again, I want to remind everyone, as my Leader has, it was thanks to the fact that the NDP government left a surplus, plus the fact that there were some additional transfers from Ottawa, that this minister was able to set up the Stabilization Fund.

\* (1600)

In fact, the idea is not new, Mr. Acting Speaker. The idea comes, I believe, out of British Columbia. Certainly, they had it there; they called it the Budget Stabilization Fund, otherwise known as the BS Fund. [interjection] Well, wherever they got their money. Okay, you had some money, the Minister

of Finance had some money from the previous government, and he had some extra money, extra funds from the federal government. We are concerned about the sale of Crown assets and utilizing the proceeds from the sale of Crown assets to transfer monies to the fund. We are not sure that this is a good idea, and I know the Provincial Auditor continues to have some difficulty with the existence of the fund. I recall that when it was first being explained and first introduced into this House, the Auditor said, well, all the fund was, was money that was not spent. That is all it was.

Obviously, it is a very handy device because it makes your deficit look a lot better, a lot smaller than it would be otherwise. I am not so sure how many people in the general public understand what deficits are all about, and how we deal with them here, but the fact is that our deficit would have been \$531.5 million if it were not for the Fiscal Stabilization Fund.

You often hear about the horrendous debt. The member opposite just a while ago, speaking before me, talked about the horrible debt situation and so forth. I say, Mr. Acting Speaker, if it is such a problem, if it bothers members opposite so much, why have they not reduced the debt? Why have they not reduced the debt? Do it.

Look, this is your fifth budget. A member opposite was telling us how great you all are, how great you are at managing government, you know, you are so great. Well, if you are so great, why is the debt not lower today than it was when you took office? The fact is, that the debt today is the highest it has ever been in the history of Manitoba. It is higher than when we left office. You have not reduced the debt, you have increased the debt.

**An Honourable Member:** And they say the same about Ronald Reagan.

**Mr. Leonard Evans:** Yes, well, I am not going to stand up to defend Ronald Reagan.

The fact is, the debt is anathema to members opposite. Nobody really wants more debt. Nobody really wants more debt. But if you were such great financial managers, I would suggest in your fifth budget—my God, five budgets, five budgets, and the debt is bigger than ever before. The debt is bigger than ever before.

So I say, Mr. Acting Speaker, this government has failed by its own standards. You have set up the standard about the size of the debt, and you are

failing by your own standards, not by the standards we are setting up because, as far as I am concerned, Manitoba, in terms of debt per capita, tends to be around the average. You know, we are not the only province that has debt in this country. There are a lot of provinces that have more debt.

Devine, the former Conservative Premier of Saskatchewan—Mr. Devine created more debt in shorter time I think than any other premier in this country. He created more debt, so I think the new government of Saskatchewan inherited a higher per capita debt than we have in Manitoba or indeed many other provinces.

You know, Mr. Acting Speaker, I am amused as well by what else is happening, or not happening, in the budget, because we used to get speeches ad infinitum, ad nauseam, about the horrible payroll tax, about the payroll tax incidentally which I see now is in many jurisdictions. In fact, payroll tax is a very well established fact in the United States. What has happened to the payroll tax? The payroll tax, such a terrible tax, what has happened to it? What has happened to the payroll tax?

Well, the payroll tax, Mr. Acting Speaker, is still here, and as I predicted two or three years ago when the government first took office, they will never get rid of the payroll tax. They will never get rid of it, and I shall say it again. As a matter of fact, they are going to collect more from the payroll tax this year. They are getting more from the payroll tax this year than they got last year. This is shown in the document, the financial statistics in the budget. Last year, we raised \$190 million in the '91-92 budget. At least, that is what is shown in the budget, \$190 million. This year it is estimated to be \$191.8 million. So what are we doing? That is not eliminating the payroll tax. It is going up.

Well, Mr. Acting Speaker, I note also in the document, on page 13 of Taxation Adjustments, that there is a table comparing manufacturing firm in Manitoba to other jurisdictions—a small manufacturing firm.

Look right across. Unless I do not understand it, there is an item called "Payroll Taxes," and you compare Vancouver, Calgary, Regina, Toronto, Montreal, Halifax, Chicago, Minneapolis and Fargo with Winnipeg, and there is a line called "Payroll Taxes," and every one of them has payroll taxes. Some of them are higher than Winnipeg's, some are lower, but, Mr. Acting Speaker, the fact is that if you look at payroll tax rates, you see them in Ontario,

you see them in Quebec, you see them in Newfoundland.

At any rate, Mr. Acting Speaker, we have brought it in as a health and education levy, and it was a necessary tax. Nobody likes to impose taxes, and I do not care which party but, nevertheless, it was brought in and it continues to remain a very important source of taxation. That is the reason why this government will never, in spite of their promises, they will not fulfill the promise of getting rid of the payroll tax, because it is simply too big, too much money that it brings forward for the operation of government.

When the minister brought in his budget yesterday, he talked about the various incentives for business development in the province. We do not object, we do not criticize, we do not oppose the various suggestions to provide credits and tax incentives to small enterprise and to business generally, R & D tax credits, et cetera, but what strikes me about them, I was very disappointed, I thought, well, finally—

**An Honourable Member:** A disappointed person.

**Mr. Leonard Evans:** Yes, I was disappointed, because I thought finally the government was going to take some major initiatives to help industrial development and small-business development. Then I looked at the details in the report, and it provides a summary. How much money is being given for temporary manufacturing investment tax credit? How much money? Is this a big thrust? All they are suggesting is that it will amount to \$3 million. Three million dollars for a very important sector in our economy, the whole manufacturing sector. We are offering them tax credits that may amount to \$3 million; it is only an estimate.

As I said, Mr. Acting Speaker, the problem is, because we are underutilizing our capacity, very few manufacturers—in fact, there was one small-business person on the CBC Radio this morning saying it does not provide him with an incentive, because he is underutilizing his capacity now. He would be crazy to expand his capacity to add new equipment or have a bigger building if he cannot sell what he is already producing. So this kind of incentive means nothing; this kind of incentive does nothing if you have a recession on your hands.

Again, it sounds great, the Manitoba Research and Development Tax Credit. That sounds very good. Everybody is in favour of R & D, you know,

everybody is in favour of ice cream cones, everybody is in favour of all the good things, but how much are we offering for that?—\$1.5 million. Mr. Acting Speaker, I mean that is almost not worth printing this in the document. I mean, it is so little. The impact for '92-93 is a half a million dollars.

Then we go on to mining taxation. Again, we thought, holy, you know, here is something really insignificant, because the mining industry has been in dire straits for the last couple of years. I am not saying that is necessarily the government's fault either. The market for international mineral commodities has been rather weak, and so it is reflected in mining. You think you are going to stimulate mining through this mining taxation program? Well, how much does the government expect to spend on that? How much does the government expect to give up by way of revenue? Any guesses? Has anyone read this? The fact is, it is estimated by the Department of Finance as zero. There is not going to be any money. There are no benefits to the mining industries, as I see this. There is absolutely nothing, at least in 1992-93.

\* (1610)

Fuel taxes, again, we are trying to help the railways apparently. The railway diesel fuel tax is being reduced by one cent per litre. I said, in answer to the member for Arthur (Mr. Downey), that I did not oppose any of these tax credits, but I was disappointed. I am telling you why I am disappointed. I am not opposing these. I am telling you that I am disappointed, because most of them are very petty in terms of the impact on the industries. They are very little money. As they said in mining, it is zero—absolutely zero.

The fuel taxes—the government says it is an important industry, and the revenue impact is only \$2.3 million. That is for railways and for aviation industry, only \$2.3 million. Similarly, the payroll tax credit for training is a measly \$500,000. That is a very tiny amount. Again, you know, it enables you to say you have got an initiative, but in reality you do not have the dollars to do anything of any significance.

Similarly, the telecommunications exemption from sales tax is only \$1.3 million, and then we go on to the last one, insurance corporations tax. Well, that will bring in taxes of \$700,000. So, all in all, we have miscellaneous assistance programs for business and really, I would say the programs in total, the bottom line is peanuts. It really is not going

total, the bottom line is peanuts. It really is not going to be very much whatsoever for stimulating the economy.

(Mr. Bob Rose, Acting Speaker, in the Chair)

Mr. Acting Speaker, I did a study of the Manitoba economy last year. I found out that compared with the other provinces, Manitoba's position worsened relative to the other provinces. Out of 11 economic indicators that we looked at, we improved in four, but we worsened in seven. In other words, if you compared the state of Manitoba's economic performance, we were doing worse in 1991 than we did in 1990 compared with the other provinces.

That is what gives me and should give all of us great concern, because we all know that we are suffering because of the recession, but why should we be suffering more in these seven economic indicators including housing, building permits, manufacturing, investment and employment growth, than the other provinces?

That is what members opposite, in fact all members, should be very concerned about. I know the government is making much out of the fact that investment intentions are supposed to be up this year, but when you look at the details you will find that they are up because they were down so badly last year and some other years.

As a matter of fact, when you look at what is projected for total capital and repair investment in the province in 1992, which is \$5.142 million. Yes, that is an increase of 2.3 percent over last year, but it is very much smaller than it was in 1990. In 1990, it was \$5,400,000, compared to \$5,142,000 in 1992. In other words, we have a long way to go before we show much significant improvement in investment spending.

If you look at public investment, of course, it is negative. Again, as my Leader has asked, what has happened to the initiative which was alluded to in the budget in terms of public spending? Yes, it does involve federal and municipal as well, but overall the fact is that public spending, public capital investment is going to be down in 1992.

Even if we look at manufacturing, we find that, yes, manufacturing investments are supposed to be up in 1992, but again it is because it has been so poor, it has been so low in 1991, it had nowhere else to go but up. Again, if you look at the level of manufacturing capital investment planned for 1992, it is \$258 million. It is much lower than it was in 1990, where it was \$317.6 million, or 1989, when it

was \$369.1 million. The investments intentions therefore do not give us a great deal of comfort.

I wonder if I could ask the Acting Speaker how many minutes I have.

**The Acting Speaker (Mr. Rose):** Thirteen minutes.

**Mr. Leonard Evans:** How much? Thirteen. As I said, the No. 1 problem is unemployment at unacceptably high levels—52,000 people, of which 16,000 are young people under the age of 25. I was very disappointed, not only disappointed, I was very amazed and concerned when we learned that this government has closed down nine rural employment resource offices, nine regional employment resource offices around Manitoba.

For all that has been said about decentralization, I just wonder what the Minister of Rural Development (Mr. Derkach) thinks about this, and for all the pronouncements about decentralization, we get this now. Nine offices—Steinbach, Winkler, Teulon, Dauphin, Brandon, The Pas, Thompson, and so on, Churchill, there were nine centres in all—Killarney as well—that will no longer—these people have received their letters, as of yesterday I believe, saying that the offices were to be closed. The one in Brandon had seven positions; two were vacant, and the five people are being transferred, one to Winnipeg, one to Swan River, one to Assiniboine College, and two to the Workforce 2000. The fact is that there are those positions gone, and the important point is there is a service that was available to rural Manitoba that will be no longer.

CareerStart—the Minister of Family Services (Mr. Gilleshammer) did not answer my question directly, but I am convinced, because he did not deny it, that the CareerStart Program will now be totally centralized in the city of Winnipeg.

Businessmen in Steinbach or Winkler or Melita or wherever will not have quick and easy access to the local staff who are supposedly processing the hundred, in fact thousands, of applications which come in because there is a rush of applications from the young people. On the other hand, you have applications coming in from employers who have to apply to be eligible for one, two, or three or whatever number of young people they will be hiring.

I cannot help but remark, Mr. Acting Speaker, that this is—I suppose members opposite do not like to use this term "make work." By the way they have



been bandying that term around here, make work—this indeed is a make-work program, to use honourable members' definition or their concerns about and their opposition to make work—it is terrible to have a job creation program.

I suppose, if they think a little more, they will begin to defend CareerStart. They will say, by golly, these are real jobs because there are small businesses that are going to be giving people work, and there are some of the nonprofit groups who are going to be hiring young people, giving them worthwhile experience, giving them a few dollars, and this is great.

What do you think the other job and training programs were all about? We had major job and training programs under the Manitoba Jobs Fund, and I say categorically, Mr. Acting Speaker, they were not make-work jobs. They were not jobs where you gave somebody a paint brush to paint a fence that was not necessary.

What happened, it was meant to be a stimulus to the economy during a recession that occurred in '82-'83, thereabouts. What we got out of that was stimulus to the Manitoba economy. That is how you help. Well, we benefited by that. The young people and the old people got the work experience and the work training. As a matter of fact, we had an assessment done of the training component of this program and it was given top marks. They were not make work. They were real jobs in real businesses. They were real jobs in real businesses. They were meant to be, and some of them may still be there.

\* (1620)

The fact is, Mr. Acting Speaker, it was meant to be a stimulus to the economy and indeed it was. It was a direct stimulus, and it is the best way to stimulate the economy of a province.

You can stimulate by cutting taxes. You could cut the sales tax to stimulate spending, but we have so many of our consumer products that are brought into the province, we would not feel the benefit. We would be stimulating work in factories outside of our borders, so that is not a very good way to stimulate the economy.

If you help small business hire people—remember the small business person had to put money in, too. It was not 100 percent wage subsidy. They had to put in 50 percent or whatever it was, and they had to agree to keep the person on after the program expired. Indeed, this was supervised

by staff who did check it. There were nonprofit and small business.

Mr. Acting Speaker, I am amused that in a way the government is ready to do CareerStart. You are ready to do CareerStart because the theory behind CareerStart is the same theory that we have behind the regular jobs and training program under the Manitoba Jobs Fund.

I asked the question to the Minister of Finance (Mr. Manness) a few weeks ago and he sort of twisted it around as though I were advocating workfare. Mr. Acting Speaker, I have never and never will advocate workfare, which means before you get welfare you must work. What I would advocate is that we use our brains and provide work opportunities for people on welfare using welfare funds that we have.

I can tell members of this House that, when I was Minister of Employment Services, we had a major conference in Ottawa with all the provincial ministers and Mr. Jake Epp, who was then Minister of Health and Welfare. We got agreement from the federal government. I would advise you to pursue this. We got agreement from the federal government that we could allocate some welfare expenditures toward job training for these people. Indeed, we did.

I say it can be done today, but all we have is increased spending of welfare in the budget and there is no initiative, no imagination used to say, with the co-operation of the federal government and the municipalities, let us use these monies now to provide worthwhile work for all of these people. I am not saying we use the workfare approach and never will and never have.

I would say of the 52,000 people unemployed—now I have forgotten the number on welfare. Even in the city of Winnipeg, what is it? 15,000? It is a large number. Whatever it is, 15,000, 14,000, 16,000. It is too many anyway. That is just the one city. There are others elsewhere in the province.

I would say that the vast majority of those people would just welcome the opportunity to work and get the experience from working. I think it is a myth to say that all the people on welfare do not wish to work. That is garbage. We have more and more people who are there because they have run out of UI. These are people with a lot of skills, and it is really unfortunate that we do not have them working because we are all losing by that. We lose because

we do not have their skills being applied to the various occupations that they are qualified to fulfill.

I say this government is missing the boat. It should be utilizing, it should be going after, the federal government to get agreement to utilize the welfare funds as much as possible to provide meaningful job experiences for those people on municipal welfare. That is where the unemployable people are. That is one concrete proposal that I would make in this Budget Debate to help people work. Why do we want people to work? We want to provide goods and services. We all lose if people are not working. We all benefit if more people work because we have a bigger supply of goods and services.

The other suggestion I would make, and it is not new, but I would take this opportunity to say that we should have an incentive program to the municipal governments of this province for them to bring necessary and needed public works projects and to engage in them at this time. I know many cities and rural municipalities that would love to engage in certain public works, but they cannot afford it and they are waiting. I say we can give them incentive, pay half or two-thirds or whatever, if they would bring forward their necessary needed public works projects to engage in them at this time when we have a lot of unemployment. This would also alleviate some of the tax burden on the municipal taxpayers in the process.

Yes, there is a cost to the province, but we are in the process getting the municipalities to spend some money too, and, hopefully, getting needed improvements, the streets, roads, bridges, construction of municipal buildings or whatever they deem to be valuable and necessary.

Also, Mr. Acting Speaker, we could be accelerating provincial capital works, bringing them forward. I am not saying building for the sake of building. I am saying building whatever is needed, nursing homes or necessary provincial buildings that will have to be built at some time. Let us accelerate the construction now and indeed hopefully, if and when times get better, then we can ease up on some of this capital spending. This is the time to be accelerating.

I also say by way of positive suggestion, we need to have more economic research and industrial development planning. I do not have much hope for the Economic Innovation Council in this respect. I have looked at the bill and what it seems to me really

to be is a reincarnation of the Manitoba Research Council, the MRC. If you look at the terms of reference and the objectives of the Manitoba Research Council, you can read in it the new council that Bill 9 is setting up, but we do need more money into R & D.

We need to be more aggressive in the Department of Industry. You know, we lost the Piper aircraft to Saskatchewan. I do not know all the details on this. Another suggestion: We need to be more aggressive in going after Ottawa. We should be going after the federal government still on their insane interest rate policy. The Bank of Canada still has an interest rate level that is far too high compared with the United States. We should go after Ottawa as well to reduce the GST. You know, if you talk about consumer spending and consumer confidence, the GST is such a heavy burden that, how can you instill, how can you expect consumers to have confidence as long as they have that around their neck?

(Mr. Speaker in the Chair)

I would also would urge the provincial government to continue to go after the federal government—there is going to be an economic conference again in the near future—to go after the federal government to change their ways and to start fighting the recession instead of trying to fight the depression.

Mr. Speaker, my time is just about up. I tried to be not only critical of what I see in the budget, but I have also made some positive suggestions. They may fall on deaf ears, but they are practical suggestions. They are suggestions that result out of what worked during the Depression of the 1930s, and they are suggestions that are now being made by prominent business leaders, including bank leaders, the chairman of the Bank of Montreal and others who are saying it is time to forget about the deficit and start fighting the recession.

Thank you very much.

**Hon. Gerald Ducharme (Minister of Government Services):** Mr. Speaker, it is a privilege for me to rise and address our fifth budget of our government. I did not have the opportunity to participate in the throne speech. However, I would at this time recognize the pages, and I hope you enjoy your stay in this Chamber and take heart to everything that is said, but do not believe everything you hear.

Mr. Speaker, also, I was quite surprised to hear the remarks that I heard a few minutes ago from the Leader of the Opposition (Mr. Doer) when he questioned the type of individual that our Finance minister is. Anyone who knows our Finance minister will realize, I can say from someone who does not sit on the Treasury benches and from someone who has to deal with an individual who I would say has probably one of the toughest roles that a government member could have in this House, not only being the person responsible for the House, but also a member and head of Treasury Board.

Mr. Speaker, in the different departments that I have chaired and had the chance to talk to employees, one thing they say about this individual, Mr. Manness, is that he is fair. Even regardless of their philosophical differences, they have found him always fair in dealing with them.

\* (1630)

I felt that should go on the record because if you want to look at what people say about the Leader of the Opposition (Mr. Doer) when he talks about the integrity of different members, the Winnipeg Free Press was quite critical of the member for Concordia's narrow vision for Manitoba's economy when he first ran as Leader in 1988. It stated: The individual we need in charge of Manitoba is not someone like Doer who regards the entire economy as one pie to be sliced and divided as he sees fit. We need someone at the helm who realizes that when the existing pie is inefficient to meet the requirements of the province, the easiest solution is to bake another pie. That way everyone gets what he wants—Winnipeg Free Press, April 18, 1988.

Mr. Speaker, on this side of the House we all know, the people who have spoken of Manitoba, that Manitoba cannot afford the NDP narrow vision of that particular Leader. Manitobans deserve hope and want a vision of a better future. Also, I am very privileged to be on this side of the House and have the Leader that I have this day, someone else who also is a very, very fair and a very hard-working person.

Before I dwell on my remarks, I will talk about my department and not dwell on maybe the Choices type of budget they had forward. That has been talked about as the NDP-gimme groups.

Mr. Speaker, since our government came to office in 1988 our fundamental goal has been and remains the strengthening of our provincial economy. We as

a government are diligently working very hard towards realizing that goal, and with each passing day steady progress is made in realizing our goal, our goal of building a stronger Manitoba, so we may provide opportunities for ourselves and our children.

Along the way, we have made many—and I say, many difficult decisions. Among those decisions the careful management of government's financial resources has and continues to be a prominent objective in ensuring that Manitobans have the vital health, education and family services that they require.

Mr. Speaker, as my colleague the Minister of Finance (Mr. Manness) said in yesterday's budget speech, "To thrive in this new, more competitive environment, we cannot be satisfied with past accomplishments. We must continually strive to be the best. As a Government, we must champion better co-ordination and partnership among Government, labour and the private sector."

Mr. Speaker, my Department of Government Services is responsible for providing a wide range of central support services to government programs. In short, Government Services is the central service agency within government. The primary function of my department is to communicate with our clients and listen to their needs and expectations and to provide services.

This is no easy task, for to be effective and competitive as a service-oriented department, we must constantly focus at the horizon to improve the way we do business.

Governments are not exempt and isolated from competition and innovation nor can they wait for opportunities to come knocking, Mr. Speaker. Having witnessed the recent events that have happened throughout the world and having witnessed the development of a global economy with boundaries being removed daily, we as a government must continue to build and strengthen partnerships for it is through the building process that we will improve our competitive advantage. As we strive together to be the best, our responsibility as government is to be responsible to the taxpayers of this province. That means making responsible spending decisions and living within the limits of what taxpayers can afford.

The Manitoba government is one of the largest purchasers in the province. Our Purchasing Branch has bought approximately \$120 million worth of goods and services on behalf of government

departments in each of the last several years. This level of buying provides a vast and important market for Manitoba suppliers and contractors. My department understands the critical aspects of being sensitive to the means in which we do business and its changing requirements of the business community.

Mr. Speaker, senior management in our Supply and Services division meet on a regular basis with several business associations including the Manitoba and Winnipeg Chambers of Commerce, the Canadian Manufacturing Association, the Canadian Federation of Independent Business, the Winnipeg Construction Association and a number of other associations. These meetings are to ensure that the Manitoba government is in a position to adapt to a dynamic and changing business environment and that we do so in advance rather than after those changes occur.

Mr. Speaker, I was very proud of reading in the Chamber guide recently about the efforts of my assistant deputy minister in orchestrating the formation of the above-mentioned joint industry, government and procurement group which has taken shape in the last few years. This example highlights one of the many things that our government is doing in order to bring government closer to the people. It is this type of open communication that has led to a number of sensible and streamlined ways of doing business.

One notable example is our electronic distribution of tender information. This system, the Western Purchasing Information Network, known as WPIN, which was up and running in October of 1990, has resulted in an earlier notification to Manitoba suppliers of government business opportunity. It has ensured that Manitoba suppliers have access to business opportunities at the same time as the other three western provinces. Suppliers who are using this system are in a position of being able to print out tenders from any of the western provinces while in their own office and using their own printing. This technology is very, very important for this tool will be a vital link in conducting business in the future.

The business community told us there was a concern about the interprovincial barriers to trade and that it was important that these barriers be eliminated to provide an expanded market for Manitoba suppliers. Our government played a significant role in bringing both western and national

trade barrier reductions and agreements into place. This type of interaction has also allowed me to register with my federal counterpart the importance of one-stop electronic access to both federal and provincial business opportunity.

Mr. Speaker, I was able to make this concern known to both the federal Minister of Supply and Services and to ministers responsible for procurement from all provinces at a meeting which was held last November in Ottawa. At that time, I was also able to point out the importance of staying tune to the needs of the business community from paper to electronic tendering methods.

When I met with the procurement ministers last fall, I was pleased to see that the acquisition of environmentally sensitive products was on the agenda, since our government had declared the environment and sustainable development to be a major priority. Mr. Speaker, it was in November of 1989 that our government instructed departments to purchase environmentally sensitive and recycled products for internal operation. We as a government are leading in the work that we are doing in formulating environmental policies.

Let me share one example with you, Mr. Speaker. My department was charged with the responsibility of taking a leadership role among provincial departments. My Supply and Services division in my department has recently completed its two-year term of chairing the Manitoba interdepartmental committee on environmentally sensitive initiatives.

Many accomplishments were achieved during this period, most prominently the development of a government procurement policy, the co-ordination of the preparation of departmental action plans by all departments of government and the introduction of a number of specific and significant recycling initiatives.

\* (1640)

With respect to procurement, Mr. Speaker, we have purchased in our department in excess of \$2 million worth of environmentally sensitive and recycled products over the last year and a half. We are continuing our efforts to stimulate the market and to increase the awareness of the supplier community of the importance the Manitoba government attaches to the supply of environmentally sensitive solutions. We have been actively involved in increasing the awareness that our clients have of the existence of environmentally

sensitive products, and I am very proud of our accomplishments in this field.

Mr. Speaker, I might add that our commitment has been extended nationally and that our director of Purchasing is a co-chair of an intergovernmental committee which would be responsible for addressing environmental procurement issues across Canada.

Mr. Speaker, over the past year and a half, our government has carefully considered the manner in which microcomputers are being acquired and maintained by all government departments. We have concluded that significant cost savings in excess, I must mention, Mr. Speaker, of \$350,000 annually are available through improved management of the acquisition and repair process. That is a significant amount of money saved.

Mr. Speaker, my Office Equipment Branch has also taken a lead role in the development of government-wide inventory management and repair capacity. An initiative to be implemented this April will provide a database of information that will enable the aggregation and monitoring of repair history, earlier detection of problem areas, warranty monitoring and performance tracking. This information base will facilitate sound acquisition decisions by all government departments and the prudent processing of acquisitions of our Purchasing Branch.

Mr. Speaker, the new program has been carefully structured to provide a blending of service by both in-house service technicians and the successful bidder from suppliers in the private sector. It is anticipated that the cost savings to government of approximately \$350,000 in '92-93 will be accompanied by further reductions in the cost of computer parts to the extent of 20 percent.

Mr. Speaker, the point that I am making, by raising the issues and the work that is being done in my department, is to bring to your attention what we as a government are doing and how we are doing it. In a volatile and highly competitive world, governments must have the ability to respond to change and have the capacity to be creative.

New technologies provide opportunities, and those opportunities materialize when the taxpayers receive services in the most cost-efficient manner. It is in this dynamic environment that my department has taken advantage of the many technologies available in order to deliver the services we provide more effectively, more efficiently, and more

importantly to the taxpayers of this province at a cost savings.

Mr. Speaker, I refer to our government's prudent fiscal management. The cost measures that I have articulated so far are quietly making, and I say, a very, very large difference to our economy, and that is good news to Manitoba.

In another area in my department which is moving ahead is the very, very important source, and that is Telecommunications. Recent digital technology has allowed both public and private sectors to take advantage of a more effective telecommunications. The Telecommunications Branch within Government Services has undertaken a number of new initiatives directed at the development and management of our government's telecommunications infrastructure. For example, digital point-to-point networks to Brandon and Portage la Prairie will be activated for provincial departments in the very near future. This will replace the use being made of existing lines and will result in communication cost savings to affect the government departments by some 30 percent to 40 percent.

Although the Telecommunications Branch is primarily pursuing its network design to satisfy the needs of government departments, this action will lead to the provision of several benefits to rural Manitoba businesses. That is, the very action of establishing a modern network for government use shall allow new services to be more widely available in the very, very important rural areas. The establishment of this network could lead to rural businesses being able to access services such as video, conferencing, higher tech, speed data transfer, cost savings associated with the bulk transfer of data and combined voice and data transmission.

Mr. Speaker, technologies in the telecommunications area have been changing at a very rapid rate. I am pleased to say that our department and our government is giving due attention to this most significant resource.

The Postal Services Branch in my department, which is responsible for the centralized processing and distribution of government mail, processed a total of 15.7 million pieces of mail in '90-91. This figure represents a government expenditure of over \$5 million for the cost of postage in Manitoba.

I am very proud of the fact that our government through the Postal Services Branch is considered to

be one of the most proactive in provincial government operations across Canada. The branch has led in the negotiations of special rates with Canada Post in terms of volume. The establishment of a new rate structure will result in a savings to Manitoba taxpayers of some \$300,000 this coming year.

In spite of what was mentioned by the honourable member for Flin Flon the other day, Jerry Storie, his statements were so out of whack that the *Globe and Mail*, Tuesday, March 10—we usually do not quote too many members in this Chamber. I mention, and I mention from that, the editorial was saying bypassing Canada Post, where we are spending to the tune of about \$5 million on postage, Jerry Storie. It goes on to read, he thinks the Manitoba government should not ship its mail U.S. and overseas through a foreign operated company. It goes on to say, but it is not appropriate to chastise either the Manitoba government or their cross-border shopper for trying to make their dollars go as far as possible.

I will close on this editorial, and it says, as for job creation, Mr. Storie has it backward, if Canadians, whether individuals or government departments, pay too much for services it costs the country jobs. The last sentence is very important. Spending fools' gold only creates fools' work.

Over the past year, throughout government, the branch like many others has acquired many, many computers which will facilitate the handling of our mail volumes. We are constantly discussing ways to maximize, discussing new technologies with the postal department and take advantage of the Canada Post incentive rate structures. The amount that was discussed at the time of the savings of \$40,000 that we discussed the other day, that came up from a question from the member for Flin Flon, he must take into consideration that when you are spending \$5 million and you are able to work out arrangements with Canada Post, you have a contract of \$40,000 where there is a third savings. Even he will notice that Canada Post at the time did not object to this type of business. They know that they cannot compete in all business that you do across Canada.

As a matter of fact, the post office just phoned our department the other day and have indicated to us, and they said that they could not compete a year ago; however, when the contract comes up a year from now maybe they might be able to compete.

We told them we would be glad, the same as we were a year ago, to consider their work, Mr. Speaker. A member across the way mentions jobs. He fails to remember that the people they were using employ eight to 10 people to work on this project. I say a job in Manitoba or anywhere in Canada right now—if he wants to look at the private sector, what is going on—a job is a job no matter what you look at.

The branch is also currently involved in a pilot study and is in discussions over the application of bar codes which allow quicker access process by Canada Post. Again, this department will continue—is that wrong now to save in the post office? It will translate another probably \$400,000 in annual costs savings. Again, my branch and my department is to continually look at ways to improve the efficiency of post office and all supplies as a servicer to Government Services.

As announced yesterday by my colleague, government is not exempt from structural change. Effective April 1, '92, this government will establish the Fleet Vehicle Branch of my department as a Special Operating Agency. A Special Operating Agency is an organizational form designed to give service delivery branches increased management flexibility in exchange for performance levels and results. Mr. Speaker, this is another example of our careful attention and approach to fiscal management.

\* (1650)

Mr. Speaker, Fleet Vehicle was selected when looking at special operating agencies because of its size, because of its mandate to provide a service on a cost recovery basis, its ability to be assessed independently and because an audit conducted under the auspices of the Canadian Audit Foundation concluded that it was well managed and its employees welcome innovation and change. Again, this is good news to Manitobans for this government as a responsible government.

As my honourable colleague, and I quote him once in a while because he does ask me the odd question from across the floor, so I will quote my honourable colleague the honourable member Conrad Santos from across the way. He emphasized, the member for Broadway, in his inaugural address in 1982, and I quote: Responsibility means it is a government that is accountable. It means accountability in the sense of being answerable to someone or to somebody.

Responsibility in government means answerability, accountability of all its actions and decisions in the sense that there is an honest and sincere attempt to get all the factual information, to consider all the alternate courses of action and all the consequences, only then shall make the choice and implement the action. That will be a responsible government.

Well, Mr. Speaker, apparently my honourable friend across the way does not practise what he says in this House. The public debt tripled under a government that he was part of. Public debt cost rose from \$114 million in 1981-82 to \$490 million in 1987-88. Public debt costs increased by an annual average of 28.4 percent, 28.4 percent under the NDP compared to 3.5 percent under the Filmon team. This represents a rate of nearly four to one in our favour.

Mr. Speaker, the per capita debt is very clear and the concise measurement of financial responsibility management ability. When the NDP, for the record, in 1981 each Manitoban was indebted at \$1,399.32 for the general purpose direct debt. By 1988 when the NDP was forced out of office, each Manitoban's debt load had jumped to \$4,762.08. This represents an increase of 240 percent in a seven-year period. The taxpayers of this province were assaulted under the previous NDP administration.

Mr. Speaker, I do not find that it is odd that the Leader of the Opposition (Mr. Doer) had the nerve of accusing my colleague the Minister of Finance (Mr. Manness) of playing with the books or manipulating and misrepresenting the province's financial situation. In view of what his administration did when in government, I wish to share with my colleagues in the House a few interesting facts.

During the NDP administration in 1984, Manitoba Auditor Bill Ziprick called the NDP government's bookkeeping "misleading and unfair." When a government showed its net deficit at \$165.5 million, three times less than the actual deficit—they wanted to show a \$428.9, Auditor Bill Ziprick said, and I quote: No way can I certify \$165 million as the net deficit, because if I do that Manitobans will be misled to believe that our deficit is only \$165 million.

Mr. Speaker, the editor of the Winnipeg Free Press was very critical also of the NDP government's dismissal of the Auditor's comments. I quote the editorial: Finance minister Vic

Schroeder's airy way of dismissing as just an accountant's opinion the concerns of the Provincial Auditor William Ziprick about his budgeting practices is unlikely to impress those foreign lending institutes—and boy, have we found that out—which Mr. Schroeder visits regularly in search of money. Those institutions employ accountants too, and they can add and subtract, just like Mr. Ziprick can.

Mr. Speaker, the facts speak for themselves. We as government have not only articulated our commitment to protecting the environment; we will strengthen its protection. In October of 1988, we announced that we would reduce waste and recycle. We are on record in articulating our goal of total waste reduction of 50 percent by the year 2000.

My department has taken an active role in the reduction of solid waste. We are working very hard and diligently in developing and implementing various programs in order to meet the Minister of Environment's (Mr. Cummings) goal of 50 percent reduction. I am pleased to stand here today to publicly state that to date we have achieved a 33 percent reduction.

Mr. Speaker, to achieve additional reduction of waste stream, the department has worked with a number of supportive groups such as the Sustainable Development Committee, the Fort Whyte Centre, the Department of Environment, to determine the feasibility of composting waste from food preparation. A pilot project is underway with the co-operation of the staff at Brandon Correctional Institute to study this in a large food preparation facility. Continuing review of the problem of waste from cafeterias is ongoing with staff at the other correctional institutes, health centres and facilities where it may be economical to do so.

The overwhelming support we have seen from our very recent announcement on the environmental cup program, we are continually asked where these cups can be purchased. I am proud of the efforts of the teamwork of our civil servants in this matter and thank them for their enthusiasm and congratulate them for their efforts.

Mr. Speaker, another noteworthy program that is very deserving to mention is the Energy Management Program introduced by the Technical and Energy Services Branch in my department. Since its introduction, the program has reduced energy consumption by approximately 25 percent. This reduction has resulted in an estimated total

cost avoidance of \$20 million. I am very proud of my department's accomplishment.

My department has implemented and will carry on with the barrier free access program within government facilities throughout the province. Construction priorities were established based on frequency and number of disabled users. Availability of fiscal year funding within the capital budget and the long-term plans for facilities are still under consideration. To date, over one-half of the projects have been completed at a cost of \$1.7 million. Mr. Speaker, our government is committed to the barrier-free access program and working very hard every year to complete the remaining projects.

The new remand centre was a major construction project for our government. We were told by the community that conditions of the present facility were unacceptable, that the human conditions were unacceptable, that the size of the facility was unacceptable. Shortly after we came in government, our government made the decision to proceed and build. We made it happen. In 1990-91 the project took up to three-quarters of our department's capital budget.

Mr. Speaker, this project is ahead of schedule, it is on budget, and it is projected to open in September of 1992. I am proud to say that as a facility it is one of the most humane and highly advanced in Canada. I have already received many compliments on its innovations and space utilizations.

Our government has undertaken several initiatives on behalf of the seniors of Manitoba. I am pleased to give you an update on the work that we have been doing in the area of elderly abuse.

\*(1700)

As you are aware, the province-wide consultations were completed by this government in 1990 with our staff meetings with close to a thousand Manitobans and receiving 53 written submissions. The major form of abuse that was cited was financial, Mr. Speaker. In response to this, our directorate formed a partnership with the federal government and worked with the Canadian Bankers' Association in producing a video on financial abuse. This video along with three information brochures have been made available to seniors groups throughout the province. As seniors requested more education regarding abuse, this package was able to accomplish both needs. Seniors throughout Manitoba have responded

positively to this video and have relayed their views to how useful this video is.

Mr. Speaker, I am proud to say that this video has been also tremendously accepted across Canada, and we have been inundated with requests for copies. I should suggest that all members in the House use it as a guide when they are going throughout the seniors organizations throughout the province. I have supplied it to the caucuses so they can use it. I think it is a very, very good tool. I must say it is a very, very nonpolitical tool, and I say that it is very, very up-front and it was done in a way that it could be used by whomever for many years. Mr. Speaker, it is done in both languages, and I thank the people who produced it and the actors who were used. It is very, very good.

For those members who have not had time to watch it and who do not have a copy, the CBC program, The Best Years, which is a nationally aired current affairs program on seniors issues, was recently in Manitoba to do a program on the video package. This episode will be aired on March 22 at 11:30.

Mr. Speaker, this video package was realized through the efforts of this government. I stand here today to say that Manitoba leads in the area of elderly abuse. I have been called by many ministers across Canada who have asked for the copy of this and have asked for ways that they can maybe provide this to their seniors organizations.

Mr. Speaker, in conjunction with this, service providers also expressed a need for more information and education on abuse of the elderly. Our directorate sponsored a two-day workshop in early October, which provided service providers from across Manitoba with the opportunity to learn about and discuss abuse of the elderly. We will also be hosting a similar workshop in Brandon on March 23 and March 24. We will be beginning some discussion on the protocols at this workshop emphasizing the needs in rural communities.

Mr. Speaker, a very important part of this program was the home repair fraud, and it continues to be a concern to seniors and government. Our video and information brochure addresses this concern. Our directorate also continues to work with the Consumer and Corporate Affairs branch, which has been very, very helpful along with dealing with repair fraud and with the law officials in looking at new and innovative ways to combat this crime against seniors. Also, the University of Manitoba is considering and



currently reviewing existing elderly abuse legislation throughout Canada and its effectiveness. Our government will be able to utilize this valuable information that we will gather from the University of Manitoba.

My honourable colleague the Minister of Justice (Mr. McCrae) has recently sent a directive to all law enforcement officials instructing that charges be laid against individuals when it is believed that abuse has taken place against a senior. This is to alleviate the necessity of having seniors lay the charges. My department will be working closely with other government departments in looking at options for counselling and follow-up for abused seniors.

It is important that seniors receive information. That was the main directive of the Seniors Directorate, and receive and know, especially also our Native population have access to this information. We are therefore making our brochures available in Native languages. Mr. Speaker, my Seniors Directorate continues to provide the information line and will continue to do so. In the upcoming months, my department will be working with seniors, committee members and government representatives in developing education and information on emergency measures for seniors.

Mr. Speaker, I feel that it is vital that I meet with seniors and senior organizations and listen and consult with them on a regular basis to ensure that government has a clear understanding of what the current issues and concerns are. I am committed to having seniors involved in the planning and establishing of new programs and policy.

We have many committees. An example of that is the very important transportation committee of providing seniors with an opportunity to comment and discuss transportation proposals and options with government representatives and community members in the planning stages. This ensures that the best interests of seniors are always kept in mind. Our government will continue to pursue a close partnership with seniors in Manitoba.

Mr. Speaker, as the Minister responsible for Seniors, I am proud to lead our government's initiatives. Our government's commitment is to the people of Manitoba. We will continue to work with Manitobans in order to build a stronger province that will provide opportunities for ourselves and our children. While there will be many difficult decisions ahead, as mentioned by our Minister of Finance (Mr.

Manness), however, despite the difficult circumstance of the Canadian recession, we will continue to be watchful of the public purse. Mr. Speaker, we will continue to control government spending, and we will continue to provide the necessary services that are so vital to the people of Manitoba.

Mr. Speaker, I again say I am proud to be part of the cabinet and part of this government that is addressing these very important issues. I again compliment the hard work of our Minister of Finance. I also compliment the Treasury Board on the days and the many, many nights that they have spent, and hours, with the different department heads.

I mentioned to the new Treasury Board people, like the honourable Minister of Consumer and Corporate Affairs (Mrs. McIntosh) and the honourable member who is responsible for Culture (Mrs. Mitchelson)—the two members of our Treasury Board. I am sure that they have added very much to that Treasury Board, and I compliment them, and again I look forward in hearing the compliments and the positive remarks from the members on this side about their different departments.

I am hoping to hear the positive results. I have not so far from the Leader of the Opposition (Mr. Doer). I look forward to the Leader of the Second Opposition (Mrs. Carstairs), hearing her positive remarks to be put on the record.

**An Honourable Member:** I do not think it is going to take very long.

**Mr. Ducharme:** I am sure there will be some. I am sure there will be some from the second opposition Leader.

I again look forward to these comments, Mr. Speaker.

**Ms. Judy Wasylycia-Lels (St. Johns):** Mr. Speaker, I am pleased to be able to participate early in this debate on the fifth budget of the Conservative government of Manitoba, round five of a heartless, mean-spirited budget. I had hoped that this government would learn lessons from the experience of real people and communities everywhere in this province and begin to correct its record, to address those errors, to change its approach to meet the realities and concerns of this day and age in the province of Manitoba.

After five budgets, Mr. Speaker, with every attempt by this government, by this Conservative

Party of Manitoba, to bring some leadership or direction to the economic situation in the province of Manitoba, things have only deteriorated. The economic situation has only worsened. The lives and the quality of life in our communities has only deteriorated, and we are left with a question. We are left with only one question to ask of this government. Have they no compassion? Is there no concern? Do they not have any heart, any compassion, any understanding, any sympathy, any empathy for the people who are feeling the very disastrous, the very devastating effects of our economic situation? Have they not learned from their Tory cousins in Ottawa, who have been steadfast in their approach despite the fact that with every day that passes it is clear that this type of economic policy, if we can even credit it that much, that this type of philosophical approach has not been beneficial for one minute to our communities and provinces in Canada?

\* (1710)

Mr. Speaker, one has to judge a budget on the basis of several criteria. We have done that once again on this side of the House and have made our deliberations, our assessments and our comments based on the application of what we would consider fairly objective criteria to the purpose of any budget for any government. For us they have to do with whether or not the government of the day through its budget, through its economic blueprint, gives hope, hope to not just a select group of individuals or corporations in our society, but to the vast number of people in our society.

We judge a budget on the basis of its ability to provide leadership and direction, especially in very difficult economic times. We judge a government and its budget on the basis of its ability, given difficult economic circumstances sometimes beyond the control of the government of the day, to spread the burdens, the sacrifices and the benefits, if there are any benefits in that kind of a situation, as widely as possible, not selectively to a few.

We judge this budget, Mr. Speaker, on the basis of whether or not it gives equal consideration to the goals of justice and decency as it does to the goals of efficiency, market growth, product outputs, market freedoms and competitiveness and all the rest of the jargon that comes with this Conservative, or should I say neo-Conservative, philosophy that is so rampant in this country.

Mr. Speaker, with every budget that is passed the situation in Manitoba has deteriorated, not improved, under this government and under its economic programs and plans. Every day we hear of more plants closing, more jobs being lost, more people being thrown out of work, more people being added to the welfare rolls, more children being homeless, walking our streets without proper food and turning to solvents and other devastating substances.

Mr. Speaker, every single day just about we hear something new, receive some new news about just how bad it is and what an impact this government's policies have had on our economic and employment security for Manitobans. Today is no exception. We have just learned that Inland Cement has closed their plant laying off 40 people. Another 40 people following on—what was it?—37 jobs at Catelli. The numbers add up add up and add up.

The Minister of Finance (Mr. Manness) asked me if I blame this all on this government. Mr. Speaker, we blame this on an approach, a philosophy by this government, by the Conservative government in Ottawa, by other Conservative and right-wing governments in this country, who have taken the approach that the best government is no government at all. They have chosen to sit on the sidelines rather than be at centre stage. They have chosen to be passive rather than active. They have chosen a hands-off approach, not a major involvement in the economic and social future of this province and this country.

We do not blame the Minister of Finance personally or individuals across the way. We blame their policies, their cabinet decisions, their collective wisdom, their political philosophy, which has never demonstrated for a moment that it is working now or will work in the future and will save hundreds of thousands of Manitobans and Canadians from falling through the cracks with no future to look forward to.

I say this, I emphasize this point, Mr. Speaker, because in fact what we keep hearing from this government is how all of this worry about the deficit, their overpreoccupation with the deficit and about cutting costs to deal with budgetary problems, accounting problems and balancing of the books, and all of that, because if we do not, they claim, there will not be a future. There will not be a society. There will not be an economy. There will not be jobs

for future generations to come, Mr. Speaker. That approach is not working.

I would think 10 years—it is just about 10 years, eight, nine years—of that approach here in this country under the Mulroney government is enough of a test. It has not worked, surely to goodness that if for no other reason this government can learn its lessons from history, from experience, from well-tested results. No, they have chosen instead to perpetuate that approach and that philosophy, to pursue the same doctrine, to maintain as much as possible a hands-off approach regardless of how many people suffer, regardless of how many people fall through the cracks, regardless of how many children will not see a future at all.

I can tell the Minister of Finance (Mr. Manness) and members opposite about just how this kind of a budget impacts on a community like my own. I can talk about the harsh effects of this government's policies on the north end of Winnipeg. Let me say, in so doing, let me clear up impressions about the north end.

The other day, the Leader of the Liberal Party (Mrs. Carstairs), in her well-intentioned efforts to try to show the Premier in terms of his true colours and his true approaches, referenced the Premier in terms of being a north-end street fighter. I can understand perhaps in the heat of the moment and the need to describe the Premier for what he really is, those words come out, but I want to say that those words are not taken lightly by northenders.

Many people in the north end, in fact, feel—[interjection] well, I do not know what is worse. In fact, I want to say this. I do not know if it is worse for northenders to have a Premier like the one we have today pretend that he has north-end roots or to be reminded that he came from the north end, because he does not represent north-end values, or if it is worse to be described generally in terms of street fighters.

The fact of the matter is, the values in the north end are values of tolerance. The north end is a collection of peace-loving communities seeking desperately to find ways to empower those communities and individuals, to overcome the ravages of our present economic circumstances and to turn to one another, to families and communities to get strength and creativity and energy for counteracting the harsh realities of this present economic climate and the policies of this right-wing government.

\* (1720)

They feel very much the harsh realities of this, the fifth budget of the Conservatives of Manitoba. I cannot emphasize too much the damage to people and communities like the north end caused by the present recession, and that damage has been very harsh and demoralizing. I cannot emphasize enough the human costs of the policies of this present government in response to the realities of the present recession.

Mr. Speaker, it gets pretty meaningless to talk about numbers. We talk about 11 percent unemployment and almost 15,000 on welfare in Winnipeg and one in four children going poor, 40 percent of those who use food banks being poor. I guess we can go on and on with those kind of statistics, but I do not know if they have much of an impact.

I can tell members in this Chamber just how much of an impact the economic situation of the day and the policies of this present government are having on people in real human ways, the human cost of their policies and the present economic situation. I think of Harry, a man in his fifties, with children to support, a spouse with a part-time job, being suddenly told after working for a company for 17 years that he is out of luck—no job. I have mentioned this story before in the House. This individual was doing everything possible to avoid going on welfare and, in fact, I think was prepared to take steps, to go to such extremes to avoid going on welfare that it might have jeopardized his relationship with his family and torn that family apart.

Mr. Speaker, there are many in our communities, and there are many in the North End who try as hard as possible to avoid going on social assistance, but the fact of the matter is it is not their on doing. It is not because of their lack of conviction, energy, hard work, and determination that they are out of work. They are out of work because of the policies of this government and the government in Ottawa that have torn communities and families apart everywhere across Manitoba and this country.

Mr. Speaker, I think of Ann who, like many women in my north end community, has been squeezed out of our daycare system because of the extraordinary hike in fees well beyond the means of low- and middle-income families, and who now must live with fear and paranoia and constant concern about putting their children in unlicensed, unsupervised child care arrangements.

Surely members opposite can identify with those feelings of a parent living with that kind of fear and paranoia and concern. There is nothing like the feelings of a mother or a father worrying about the health and welfare of their children. I do not have a monopoly on those feelings. I think every one of us in this Chamber has those feelings, but, Mr. Speaker, those are feelings that have been aggravated and, in some cases, caused by the policies of this government.

I think of Jackie who has a severely physically and mentally disabled child and cannot get respite care because of cutbacks by this government.

I think of Heather, a physically disabled adult on provincial social assistance whose medical circumstances did not change from when she first had to go on social assistance, but was made to go through the exercise of appealing, and appearing before committees in order to keep her status as a recipient of social assistance, all because this government, in its attempt to try to offload onto other levels of government and move people off their responsibility, have someone else worry about them, was intent on putting this woman through those hoops, and attempting, and I believe probably expecting and hoping that people like Heather would be passive and would not have the energy and the foresight and the determination to go through with an appeal process.

I can go on and on Mr. Speaker, with the human toll that this government and its budget is having on people, on families, on women, on children in communities like the north end.

**Mr. Doer:** And they call it a good news budget.

**Ms. Wasylycia-Lels:** Yes, as my Leader says, they call it a good news budget. Good news for whom, Mr. Speaker? When one looks at the present economic situation and the extreme high rate of unemployment, one can not help but be reminded of this similar phenomenon in Canada back about 20 years ago, the mid-70s, when unemployment was climbing, when more and more people were giving up on ever having a hope of a job, and were not appearing on unemployment rolls, when the hidden unemployed was reaching in the neighbourhood of one in every four Canadians, and when the policies of the government of the day, the Liberal government of the day, were to look for scapegoats, to look for people to target, to suggest that they did not really need to be working after all, thereby reducing the responsibility of government,

lessening the role and the work of government because of a convenient philosophical approach.

I remember this very well because I was actively involved in politics at the time, and a woman in Canadian politics when the government of the day, the Liberal government of the day, was suggesting that we need not really worry too much about these high unemployment figures because after all, a lot of the people on those unemployment rolls were women, and women, my goodness, they were secondary wage earners. They did not need to be taking up jobs in the labour force. They could be going home, getting pregnant, having children or going welfare rolls. Those were the lines we heard from Canada employment officials and even politicians, that really all that mattered, Mr. Bud Cullen, the Liberal Minister of Employment, said back then, really all that mattered was worrying about the men over the age of 25.

If one took that into consideration, perhaps our problem was not so great after all and perhaps the government of the day was just doing fine, thank you very much. Sounds awfully familiar to the kind of developments that are happening in our society in this day and age.

Mr. Speaker, I think of a few years ago when the Minister responsible for the Status of Women suggested that daycare policy could be changed, because after all there were women using daycare who were just working for pin money and extra things. We were reminded again of this government's attitude as recently as a few days ago, on March 9, 1992, when in response to a speech by the member for Radisson (Ms. Cerilli), who was questioning this Legislature in terms of the working environment and the kind of language and signs that were being used in this place and questioning the whole protocol in this Chamber, the Minister of Justice (Mr. McCrae) said, maybe your place is not in here, maybe your place is not in this House, in the Legislature.

\* (1730)

I hear the Minister of Consumer and Corporate Affairs (Mrs. McIntosh) reiterating that sentiment, reiterating the sentiment that in fact there is a place for women in our society, a place for women—[interjection] Mr. Speaker, I think perhaps the Minister of Consumer and Corporate Affairs is going—[interjection]—should, yes, she should feel ashamed at those kind of comments, because in

fact, the implication was clear that perhaps there is no place for women in this House.

We heard those sentiments expressed some 10, 15, 20 years ago when unemployment was extremely high in this country, and the government of the day, albeit Liberal, suggesting that women had a certain place and did not need to be—and that the women had a certain place in our economy. The approach and the philosophy behind those statements, that comment then and today, are that women do have a certain place and that women are a cheap source of labour that can be moved in and out of the labour force according to the requirements of the economy and the policies of the government of the day.

I say to the Minister of Justice (Mr. McCrae) and to the Minister of Consumer and Corporate Affairs (Mrs. McIntosh) that a woman's place is in this House, and it is in the banks and it is on the farm and it is in the factories and it is in the business corporate rooms and it is in our labour union halls. It is everywhere, Mr. Speaker, that a woman chooses, and it is absolutely essential that the work of women be valued and included in our calculations of what is economic productivity, what is important in terms of the outputs of our units that produce wealth in this country and in this province. I think it is time that this government, and I do not expect much here, took a little footnote out of some of the literature on feminist approaches to the economy and started thinking more seriously about changing its attitude and its approaches to what economic well-being means, how one defines work, what one values, whom one values, and starts perhaps looking in that direction for some hope, some ideas of getting out of the present economic situation that this province finds itself in.

Mr. Speaker, I said at the outset that this budget was a failure from the point of view of several important criteria. On creating hope instead of anger and despair, it fails. In my constituency, in the north end community, there is no hope, and there is nothing but despair about the future and anger at this government.

Mr. Speaker, I said at the outset of my remarks that an important criterion for judging a budget speech was leadership, and whether or not direction and leadership were being offered, particularly in this most critical economic time. On that point, this government fails. Its hands-off, step-aside, passive approach has done nothing to prevent the exodus

of people from Manitoba, to stop the rising number of bankruptcies, to find employment for those who are out of work, to get people off welfare, and to get homeless kids off our streets.

I said, Mr. Speaker, at the outset that a budget and a government must be judged on the basis of its ability to spread the burdens and sacrifices and benefits of the present situation as widely as possible. On that point, this government fails, and it fails dismally.

I think, Mr. Speaker, of the work that has been done to make that point by Choices. I know this government dismisses Choices. Perhaps it dismisses any coalition and any organization that is fighting for social justice, but that organization and others have identified very clearly just how selective this government has been in terms of concentrating benefits in the hands of a few and ensuring that the burdens and the sacrifices are left for the vast majority of low-income, poor, working Canadians and Manitobans.

Frances Russell made that point very well. I am not thinking of her most recent article, but a little while ago when she said: The provincial Conservatives, like their Ottawa relations, are embarked on a program of restraint for the many and rewards for the few. Well, let us look at some of the examples that she uses, actually examples that Choices, the Coalition for Social Justice, has put together.

Provincial Tories handed out \$2 million in grants to private schools, including such elite institutions as St. John's-Ravenscourt and Balmoral Hall; \$1.5 million in grants and low-interest loans for a seniors housing project being sponsored by the prominent Conservatives.

All other community groups, by the way, were told that the Seniors RentalStart program had expired; \$1 million to Ducks Unlimited for its new complex at Oak Hammock Marsh; \$4 million to move provincial employees out of Winnipeg to largely Tory constituencies; \$7 million of tax breaks to large corporations. The list goes on and on. We know for a fact that when it comes to sharing the rewards and spreading the burden, this government fails, and it fails dismally.

Finally, Mr. Speaker, I said this budget should be judged in terms of according equal weight and consideration to the goals of justice and decency as it does to its goals of efficiency and competitiveness

and market freedoms and so on. Without a doubt, this government fails.

In addition, as many of us have said during this debate and others, this government through its budget has demonstrated a tendency, a clear predilection, for being as devious as possible when it comes to presenting its true agenda, its true programs and true intentions. As I said earlier in Question Period today, nowhere is the duplicitous, devious, dishonest nature of this budget more apparent than when it comes to health care.

Let me spend just a few minutes on health care, because I think it is fast becoming one of the major concerns of Manitobans as they begin to see just how serious this present government is, how Conservatives across Canada, in general, are working to dismantle and erode and tear apart our universally accessible, quality health care system.

Mr. Speaker, talk about devious and dishonest. Let us look at the ability of this government, budget after budget after budget, to promise one thing, to put a certain amount of money on the table, to create the appearance of no reduction in those important services, no cutbacks and to turn around, and in the dead of night and as quietly as possible, with the hope that no one is looking lapse those dollars, underspend those dollars, bury those dollars in studies, in rhetoric, in public relations exercises.

Interesting that this government claims another increase in health care spending, just as it did last year, which was so great. The increase was so meaningful that we saw no bed closures, no lengthening of waiting lists, no talk about professionals leaving the province, no concerns about the health and welfare of future services.

No, [interjection] I am sarcastic and I am tongue-in-cheek, because I find it absolutely incredible that this minister is repeating, this government is repeating what they tried last year. Now people are aware and can see through that kind of duplicitous, devious, dishonest approach. A hundred million dollars is promised as an increase this year for health care, interesting.

\* (1740)

A hundred million dollars has been underspent in health care by this government since it came into office.

**Mr. Doer:** A hundred and two.

**Ms. Wasylycia-Lels:** More than a hundred million dollars, as my Leader indicates. I do not know if I

am permitted to use the words "con artist," but it sure strikes me that the Minister of Health (Mr. Orchard) is very much acting the part of a con artist, or attempting to act the part of a con artist. He may have fooled some of the people some of the time a little while ago, but he is no longer fooling anyone at this point in the life and times of Manitobans.

Manitobans know now what Tory policies are when it comes to health care, they know. They know that it means the movement towards a two-tiered system, that in certain areas of service and surgery and procedures, if you have got the money, if you can afford a thousand bucks a pop, then you are welcome to do it. It is absolutely unprecedented to have in this province the popping up of private hospitals. That is the way it was put to me some months ago when we first got wind of the western surgical company or office, I am not sure what it is called anymore.

(Mr. Marcel Laurendeau, Acting Speaker, in the Chair)

We have started hearing about cataract surgery being offered for a thousand bucks. No wait, save the wait, never mind the year, two years wait that you have been told by your—[interjection] Oh, I think the Minister of Health (Mr. Orchard) is not up to date with all of the developments in Manitoba when it comes to private hospitals and clinics and surgeons and surgery. We have an unprecedented situation in the province of Manitoba because of lack of leadership, lack of planning, lack of funds, lack of commitment by the government of the day to preserve quality, universally accessible health care, and to move towards health care reform within that context.

Instead, we have a government that has as its first priority, cost-cutting measures, bottom-line figures, and the plan is supposed to fit the cuts. The plan is supposed to fit the budget targets. That is health care reform? That is what this Minister of Health (Mr. Orchard) calls health care reform? That is why we have major hospitals throughout urban Manitoba desperately trying to figure out how they are going to meet the budget reduction targets of this government without cutting services?

Mr. Acting Speaker, they cannot, and that can mean only one thing, that this government is prepared to put its budget targets and its cost-cutting priorities, and its cost-containment exercises ahead of patient care, quality of service and universal accessibility.

Let me refer to one other example of just how devious and duplicitous and dishonest this budget is when it comes to health care. A fancy press release comes out with the budget, blue ribbons and all, with a statement: Four million dollar increase to the Health Services Development Fund for proposals that demonstrate potential for a significant health care reform.

Let us put this in context. A couple of years ago, great fanfare, great to-do, lots of blue ribbons around this new initiative, new proposal, lottery-funded \$10 million Health Services Development Fund.

**An Honourable Member:** A good idea.

**Ms. Wasylycia-Lels:** The Minister of Northern Affairs—

**An Honourable Member:** After they voted against it in '88.

**Ms. Wasylycia-Lels:** Exactly, after they pooh-pooed the idea when we suggested something like that in 1988, then turned around and applauded this notion when they were in government. We certainly, I mean, understand politics, and how this party and this member works. We certainly appreciate those differences, but the fact of the matter is, they applaud this effort one year, the next year the Minister of Health (Mr. Orchard) announces that it has been cut in half. Five million dollars is the new Health Services Development program—\$5 million.

When asked why it is now \$5 million, well, we did not get all the applications we wanted, and they did not meet the criteria, and therefore we had to cut it down to \$5 million. Besides that, we are not even going to spend the \$5 million, he told us in last year's Estimates. We just do not have the applications and we do not have the ideas, so we are just lapsing those dollars, part of the \$70 million lapsed in this budget.

Now, this year, having lapsed the money and let it disappear into the cavities of deficit preoccupation by this government, suddenly we see this figure, \$4 million increase to the Health Services Development Fund. I want to know, is that \$4 million on the old \$10 million, is that \$4 million on last year's \$5 million, or is that \$4 million on the actual \$2 million—

**The Acting Speaker (Mr. Laurendeau):** Order, please.

**Hon. Donald Orchard (Minister of Health):** It is not often, Mr. Acting Speaker, that I have the pleasure of following my official opposition critic. The observation that I would make, Sir, with all due respect to the individual is that—and I have been in opposition and I know how difficult it is to make a point from time to time, except when you really have an issue to go after the government on, but whenever we did not have issues, we tended to resort to name-calling and allegations and wild-eyed rhetoric. I have to admit that upon occasion I did do that, I have to confess.

Mr. Acting Speaker, that is exactly what I heard from the official opposition critic for Health, because with all due respect to the individual, again, this person does not understand health care policy, the dynamics of health care delivery and the challenge and the change to health care that is going on in every single province in Canada right now, and in which we are leading in terms of ability to understand the system and to make changes to the system that do one thing, Sir, and that is to protect the level of service to the patient, to put the patient at the centre of the system, first and foremost.

\* (1750)

My honourable friend from the position of the New Democratic Party has to advocate for job retention because of their union ties. They have forgotten about the patient when they are advocating for those job retentions regardless of need in the system, regardless of more appropriate service delivery in the community. They have to adhere blindly and slavishly to protection of the jobs because the union friends, the union bosses dictate they must, but, Mr. Acting Speaker, my honourable friend, upon occasion as critic for the New Democrats, will actually have a lucid understanding of where health care reform and change must go. My honourable friend will say that governments must move services from the institution to the community.

You know what, Sir? We agree on this side of House. We agree, and that is why the Continuing Care budget this year is expected to reach \$62 million. It was some \$36 million when we took government in May of 1988. Do you know, Sir, what we are doing? We are using that Continuing Care budget to deliver services in the community so that we can forestall institutional care requirements, exactly the policy that informed observers of health care advocate governments ought to do.

My honourable friend in her congratulatory remarks to the first report of the Centre for Health Policy and Evaluation said that it was a good report, gave us good direction, and then immediately began to reverse herself in terms of advocating retention of acute-care beds. This case being Brandon General Hospital, even though those beds are closed because of the provision funded by this government of out-patient surgery, of increased home care, and the Centre for Health Policy and Evaluation says that the only way you can make appropriate use of budget in health care is when you replace a service in an institution with one in a community. To avoid the double costing of institution and community, you must retire the bed from service.

Now, when we do that in Brandon, what do my honourable friends in the New Democratic Party do? They whip up public support to protect jobs staffing empty beds in Brandon General Hospital for the union's sake, and they argue against those kinds of shift of program from institution to community. Yet, when they are advocating change in health care, they say we must do exactly that.

Now, Mr. Acting Speaker, I want to contrast what happened in Brandon this year to what happened in Brandon in 1987, October was the month. My honourable friend, my Health-critic friend, from the New Democratic Party (Ms. Wasylcia-Leis) sat around the cabinet table along with the current Leader of the New Democratic Party (Mr. Doer) and created a plan behind the closed doors of cabinet, skulking at the midnight, and without consultation with hospitals, without any Urban Hospital Council to provide them with reasoned approach and information, unilaterally dictated the closure of 118 beds in the health care system for budget reasons, 29 of them being in Brandon.

Now, I know, Mr. Acting Speaker, that the member for Brandon East (Mr. Leonard Evans), who was the senior cabinet minister for western Manitoba, the only cabinet minister in western Manitoba, in 1987 in October went to Brandon and he explained to the people of Brandon the reasons why this undiscussed, unconsultated cutback was being made by Howard Pawley and the NDP, current critic being supporter of that policy by the NDP, current Leader of the NDP supporting that policy, and I know that the member for Brandon East went out and had a press conference in Brandon

and explained to the good folks of Brandon why it happened.

I checked The Brandon Sun, and you know what I found? I found absolutely no comment from the member for Brandon East. He disappeared off the face of the earth after they cut those beds in Brandon General Hospital. He did not dare show his face in Brandon.

Now, Mr. Acting Speaker, when the Brandon General Hospital board and management—because we funded substantially outpatient surgery in the last 2.5 years, we have more than doubled the Continuing Care budget to provide services in the community in Brandon—make the decision to collapse three wards into two because the ward occupancy rates are 67 percent, 68 percent, and lay off staff because the staff were staffing empty beds, they say it is wrong, and I go out, Sir, and have a press conference to explain the process to support good management decision. Did the member for Brandon East even show his face in Brandon after October 1987? Of course not. Do you know why? There was no policy underpinning; there was no planning; there was no discussion; there was no consultation when the NDP ordered that unilateral cut in 1987. It was crisis decision making in the Howard Pawley government that was unceremoniously booted out of office in May of 1988.

Now, my honourable friend the Leader of the Opposition (Mr. Doer), I listened to him today, and he said this government should advance capital programs. He was very clear in his fuzzification in that he never mentioned one single project, and I challenged him several times, but, no, he did not. Do you know why he did not? Because when this man is in government he does exactly opposite to what he advocates from opposition. When I came into the office of Minister of Health in May of 1988, do you know what I inherited from the NDP, from Howard Pawley, from the current Leader of the Opposition (Mr. Doer), from the current NDP Health critic? Do you know what I inherited? This man from opposition, Leader of the Opposition, is advocating advance of capital programs. Do you know what the capital budget had been in health care for the previous nine months?

In the dark of night, skulking at midnight, it was frozen by Howard Pawley and the NDP—not one single new capital project commitment in the previous nine months, because it was without public



discussion, without consultation, without even having the constitutional fortitude to announce it to the people of Manitoba. They had frozen the capital budget. Now, from the comfort of opposition, we have this brilliant wizard of leadership, the Leader of the NDP saying, we should advance appropriate capital projects without mentioning one single example of what to do. What they do in government is freeze the capital budget. What they do from the comfort of opposition is say spend, spend, spend.

Mr. Acting Speaker, that is exactly the kind of shallow approach to policy development that has discredited the New Democratic Party who used to have some credibility that they knew what could be done in health care, but there is no credibility. There is no credibility in the New Democratic Party when it comes to providing leadership or ideas in health care. I have given my honourable friend the member for The Maples (Mr. Cheema) credit as health critic for the second opposition party, because he has provided a consistent approach to reform of health care. He understands the system, and he also takes the risk from opposition of occasionally agreeing with government when they

do the right things. This has never happened except for Thursday of last week when the Leader of the Opposition (Mr. Doer) said to his critic, be positive on this one. Do not blow it like you did on the Centre report.

### Point of Order

**Mr. Doer:** On a point of order, I think the honourable Health minister should understand fully that the New Democratic Party is a balanced opposition that provides balanced comments at all times—

**The Acting Speaker (Mr. Laurendeau):** Order, please. The honourable member did not have a point of order.

\* \* \*

**The Acting Speaker (Mr. Laurendeau):** When this matter is again before the House, the honourable Minister of Health (Mr. Orchard) will have 28 minutes remaining.

The hour now being 6 p.m., the House will rise until tomorrow at 10 a.m. (Friday).

# Legislative Assembly of Manitoba

Thursday, March 12, 1992

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