



Second Session — Thirty-Second Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS

31-32 Elizabeth II

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Second Legislature

Members, Constituencies and Political Affiliation

Name	Constituency	Party
ADAM, Hon. A.R. (Pete)	Ste. Rose	NDP
ANSTETT, Andy	Springfield	NDP
ASHTON, Steve	Thompson	NDP
BANMAN, Robert (Bob)	La Verendrye	PC
BLAKE, David R. (Dave)	Minnedosa	PC
BROWN, Arnold	Rhineland	PC
BUCKLASCHUK, John M.	Gimli	NDP
CARROLL, Q.C., Henry N.	Brandon West	IND
CORRIN, Brian	Ellice	NDP
COWAN, Hon. Jay	Churchill	NDP
DESJARDINS, Hon. Laurent	St. Boniface	NDP
DODICK, Doreen	Riel	NDP
DOERN, Russell	Elmwood	NDP
DOLIN, Mary Beth	Kildonan	NDP
DOWNEY, James E.	Arthur	PC
DRIEDGER, Albert	Emerson	PC
ENNS, Harry	Lakeside	PC
EVANS, Hon. Leonard S.	Brandon East	NDP
EYLER, Phil	River East	NDP
FILMON, Gary	Tuxedo	PC
FOX, Peter	Concordia	NDP
GOURLAY, D.M. (Doug)	Swan River	PC
GRAHAM, Harry	Virden	PC
HAMMOND, Gerrie	Kirkfield Park	PC
HARAPIAK, Harry M.	The Pas	NDP
HARPER, Elijah	Rupertsland	NDP
HEMPHILL, Hon. Maureen	Logan	NDP
HYDE, Lloyd	Portage la Prairie	PC
JOHNSTON, J. Frank	Sturgeon Creek	PC
KOSTYRA, Hon. Eugene	Seven Oaks	NDP
KOVNATS, Abe	Niakwa	PC
LECUYER, Gérard	Radisson	NDP
LYON, Q.C., Hon. Sterling	Charleswood	PC
MACKLING, Q.C., Hon. Al	St. James	NDP
MALINOWSKI, Donald M.	St. Johns	NDP
MANNES, Clayton	Morris	PC
McKENZIE, J. Wally	Roblin-Russell	PC
MERCIER, Q.C., G.W.J. (Gerry)	St. Norbert	PC
NORDMAN, Rurik (Ric)	Assiniboia	PC
OLESON, Charlotte	Gladstone	PC
ORCHARD, Donald	Pembina	PC
PAWLEY, Q.C., Hon. Howard R.	Selkirk	NDP
PARASIUK, Hon. Wilson	Transcona	NDP
PENNER, Q.C., Hon. Roland	Fort Rouge	NDP
PHILLIPS, Myrna A.	Woiseley	NDP
PLOHMAN, John	Dauphin	NDP
RANSOM, A. Brian	Turtle Mountain	PC
SANTOS, Conrad	Burrows	NDP
SCHROEDER, Hon. Vic	Rossmere	NDP
SCOTT, Don	Inkster	NDP
SHERMAN, L.R. (Bud)	Fort Garry	PC
SMITH, Hon. Muriel	Osborne	NDP
STEEN, Warren	River Heights	PC
STORIE, Jerry T.	Flin Flon	NDP
URUSKI, Hon. Bill	Interlake	NDP
USKIW, Hon. Samuel	Lac du Bonnet	NDP
WALDING, Hon. D. James	St. Vital	NDP

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 1 March, 1983.

Time — 8:00 p.m.

BUDGET DEBATE

MR. SPEAKER, Hon. J. Walding: Order please. The motion before the House is the adjourned debate on the amendment to the proposed motion of the Honourable Minister of Finance. The Honourable Member for Tuxedo has 17 minutes remaining.

MR. G. FILMON: Sorry, Mr. Speaker, I thought that when we left you had said 18 minutes.

MR. SPEAKER: Order please. I will not take that as a reflection on the Chair, but it often happens that where a debate is adjourned by the hour of adjournment, the member is given a couple of extra minutes in order to catch his thoughts.

The Honourable Member for Tuxedo.

MR. G. FILMON: I appreciate your consideration, Mr. Speaker. In my remaining time I'd like to address a few issues of great importance which are tied to the Budget, to the Estimates of Expenditure and the economic future of our province.

Firstly, this government's ability to evaluate the problems and the challenges that face us and its ability to deal effectively and positively to overcome them.

Now, Mr. Speaker, I don't think any sane or rational individual would blame all of the economic woes of our province on this government - on this government or any government for that matter. But, of course, I have to remind you that when this government was in opposition they did that, they did that very thing. They blamed all of the difficulties that our economy - a mixed economy, that inevitably will have its ups and its downs - they blamed everything they possibly could on the existing provincial government of that day.

They went out of their way to dig up issues like the layoffs at Thompson and now, of course, under their administration this year, the layoffs were four times as great as they were when they were causing such a fuss. But they, of course, at that time felt that it was all the concern and the problem of the Provincial Government of the Day. Well, of course, we could assume that the same logic would apply and that all of those layoffs up north this year were the problem of this government; we won't. They blamed all of the closures that occurred within the province during our term of administration on our government. They said that Swifts, the closure, was our problem. The present Minister of Community Services and Corrections put out a whole economic analysis the spring before the election and he listed everything he could possibly list as having closed or jobs lost during our administration as all the fault of our provincial government. He talked about Greb Shoes. He didn't tell people that Greb Shoes, their plant and their facility in Winnipeg, were bought by local investors and they continued to operate. He just said, Greb Shoes closed down in Manitoba. The creamery at Glenella,

he said that had been closed under our administration. No way, it continued to operate, but he said that.

Mr. Speaker, if we were to take that same view, that same approach, we would conversely today start to list things like the Shell Oil Refinery closing; the Building Products roofing plant closing; the Kimberley-Clark closing; the Dominion Stores closing; the gold mine at Bissett, Brinco, closing down. We would start talking about CAE closing down; we'd start talking about all of the various branch offices that are moving their prairie branch out of Manitoba to Alberta, and places like CGE who are going to be doing that later this year, and PWA who, during our administration, were going to be putting a larger reservations facility here. They were going to have their computerized reservations facility and now they're moving people out of here, they're laying off, they're transferring people to Alberta, all those things. And we would say if we followed their line of thinking that all of that was the responsibility of this provincial government and that's only in 15 months, let alone the four years of our administration where they tried to add up all of this goody bag of closures that seemed to make their heart warm during that time when they were in opposition. We won't go to that extent, Mr. Speaker. We won't say that, because I think that would be unreasonable. I thought it was irrational during their time in opposition, but I would say that would be unreasonable for us to do.

On the other hand, Mr. Speaker, what I do think they can be criticized and condemned for is the fact that when they were running for election in 1981, they were so far out of touch with reality that they were saying things like, "We can turn around the harsh economic circumstances that are facing this province today." They said that there would be no layoffs; that no one would lose their business; that no one would lose their farm; that no one would lose their home. I've already gone through the statistics this afternoon of the tremendous bankruptcies, the tremendous failures in the farm community and businesses that have been closed down. You know, what they can be criticized and condemned for is how far out of touch they were with reality when they made those promises in the election campaign in 1981. That, I believe, was irresponsible. That, I believe, cannot and should not ever be forgotten because that is their responsibility for having made those irrational irresponsible promises and today, 15 months later, seeing the effects of that, that so-called "great future" that they promised Manitobans. Is this it? I want to know that, Mr. Speaker, because that is their responsibility to answer for.

If they were so far out of touch before they were in government and now they are saying that they were in the throes of a recession in Manitoba when they arrived in office - they didn't say that before the election but they now say that - if they were so far out of touch then, are they any closer to being in touch with reality today as we go through what they are presenting us in this Budget, what they presented us in the last Budget nine months ago, Mr. Speaker? Then the other question is, are they any more in touch with reality today?

Well. I asked the people of Manitoba to judge whether spending increases of 20 percent last year and 17 percent this year are what is called for by any sane or rational group of people. I ask you to ask your constituents, and your friends, and the people you meet in your consultations, whether any business or any individual has matched those kinds of spending increases in the last two years. Do you know of anybody who in their own life, in their own business, has spent 20 percent more last year and 17 percent more this year? Nobody. I know of no one. They are out of step. They are out of touch and they are going to push Manitoba even farther into its economic difficulties because they continue to be out of touch with the reality of the marketplace today.

Mr. Speaker, what are the consequences of these ill-considered actions, doubling of interest costs in this Budget over last Budget? They're setting a poor example, they're setting a poor example for everybody out there who's trying to deal with the vagaries and the problems of the economy today and they're giving them totally the wrong direction. They're themselves trying to create and continue to fuel the inflationary things that are a problem for everybody to deal with - the inflationary trends in society.

Then what are the other consequences? Well, of course, we have the increased taxes, and there's a whole litany of them that we could read for them, and they're being read to them everyday, I'm sure, by their friends and their former supporters.

For instance, the average Manitoban has suffered all sorts of increased costs as a result of this government's actions during the past 15 months. Driver's licence fees, they go from anywhere from small to very large and consequential increases; taxes on cigarettes and liquor - there has been three increases on liquor and two on cigarettes in their administration; increased charges in provincial parks and for cottage owners and Crown land leases; surtax on income tax; the dreaded 1.5 percent payroll tax, diesel fuel has had two major increases; gasoline tax, as my colleague reminds me, and the sales tax, those are of course the crowning insults to their administration, the fact that just a year ago they were saying how those areas should be protected, those taxes should not be considered - the sales tax and the gasoline tax - and then one year later they have to go back on their word and raise both of them.

There's the hydro rate thaw. The fact that they've now unfrozen hydro rates and increased them 9.5 percent for this spring. Of course, that's despite their Premier's promise that he would not do so, but of course we know all about the reasons behind that, why their present Chairman of the Board of Manitoba Hydro regarded that hydro rate freeze as a monument to his mismanagement of the fiscal matters of this province when he was the Minister of Finance, how that was a constant reminder, those payments for foreign exchange losses that had to be transferred over to Manitoba Hydro every year in order to keep the freeze on. They were the biggest irritant that he had under his skin and continues to have under his skin, so they had to thaw the hydro rates in this province and start increasing them again so that people would forget about his inappropriate measures as a Minister of Finance.

Besides all of that, having raised all of those taxes, what do we have to deal with? Well, we have \$1.3 billion

in projected borrowing for this fiscal year, \$1.3 billion, that's added to 6.3 billion that shows up in the Estimates right now of our cumulative debt in this province. That means that as of this coming year every man, woman, and child in this province will owe \$7 thousand, that's what our debt is going to be. We have the largest single-year deficit in the history of this province. It's doubled the largest ever before, and it's doubled the total of all the deficits in our four years of administration, that's what we have from this government.

Well, Mr. Speaker, there's more. The fact of the matter is that with all of that we're not getting any firm direction that we can count on. Where can Manitobans turn to for an example as to how they should govern themselves as they face these difficult times? Not to this government; certainly they couldn't turn to this government because they don't know which direction they're heading in.

Awhile ago I was reviewing some of the things that members of the government, and particularly the Premier have said during the past year alone. When the Federal Government almost a year ago introduced its so-called program of wage restraint, six and five, Premier Pawley was one of the few Premiers to disagree with it. He said, "No, that's not for Manitobans, it's unfair, it's too rigid," He gave all sorts of silly arguments why 6 and 5 wasn't a good plan. Later his administration said to the universities, "You're going to restrict your salary increases to 9.5 percent." Still later, they allowed the Crown corporation, McKenzie Seeds, to settle their employees at a salary increase of almost 14 percent. Then, still later, the Minister of Urban Affairs said to the City, I'm not going to be happy with you if you allow the transit fares to go up by more than 10 percent. So now we've got five different figures to throw in the mix. Then they said to the health care institutions, we're going to give you 7.5 percent to settle your wage settlements and we got a strike with that because 1.5 percent of that has to go to the payroll tax, so they're on strike. Then they went to MGEA and renegotiated 27.5 percent over 30 years. Now we've got seven different things.

Where are we going, Mr. Speaker? That's what I would like to know? Is there anything upon which this government will take a stand. Is there any direction that they will agree on, that they will tell Manitobans to believe in? Is that what you call leadership? Is that what you call a direction that people can have confidence in?

Of course, the tragedy of this is that people out there in the investment community, in the business community, in the community of Manitoba, citizens out there want to know, is there some direction we should take? Is there something we can, together, work towards? But there isn't. Give us a plan, give us any plan that you believe in, but you don't. That's the problem and Manitobans are fed up with it.

Of course, the tragedy of all this uncertainty is that nobody has any confidence in Manitoba. Nobody out there in the business community and the investment community will put any money into this province because of that public uncertainty that's created by the Premier and all of his members over there. Who will come in here and create a business, create jobs, start to make things grow when they are faced with that kind of uncertainty, with an anti-business attitude,

with all of those things behind it? Is it any wonder that all these businesses are closing down? Is it any wonder that major investment opportunities that were about to come to Manitoba have just dissolved and faded away?

Mr. Speaker, my colleague, the Member for Turtle Mountain, said it best, I think, when he said that Saskatchewan had a slogan that said, Saskatchewan is declining to participate in the recession. Well, I'm afraid that, through its inactions and collective wrong actions, Manitoba has decided not to participate in the recovery. This recovery will come for North America and worldwide, but it will pass us right by and the reason is that, of course, nobody looks upon Manitoba as a safe secure, reasonable place to invest anymore. Nobody looks upon us as a reasonable place in which to invest anymore.

I ask you, Mr. Speaker, would you invest in a company that lost \$495 million last year and is planning to lose \$579 million this year and doesn't understand why the bond rating agencies are concerned?

The Minister of Finance says he's not so sure he's concerned about what the bond rating agencies say. He said, and this is absolutely ridiculous - what an inane comment - he said that he finds it ironic that Standard and Poor's, the bond rating agency, is located in New York City, a city in which they have deteriorating municipal infrastructure and they have a very poor municipal financial situation. What a silly comment to make.

MR. H. ENNS: The trouble is that's where we get our money from.

MR. G. FILMON: What a silly comment to make. What does the fact that they're located in New York have to do with their financial situation in the City of New York? Standard and Poor's don't make the decisions on behalf of the City of New York; they have elected officials just like you people over there who make those decisions. Standard and Poor's just rate their bond risks and they rate New York very poorly, just as they're going to rate this province very poorly if you people carry on. But that's the typical kind of smart aleck approach that this government has to anything that they don't like, they brush it off and say those people are foolish, they don't know anything, and they make a silly inane comment like that. Well, Mr. Speaker, it's not good; it's not good for Manitobans, it's not good for Manitobans.

Worst of all, the worst criticism is that this government says that it stands for social justice and equality of opportunity for people, but I say to you, Mr. Speaker, that social justice and equality of opportunity cannot exist without economic security. They have made us the most insecure province economically in this whole country through their lack of direction, their lack of commitment, their lack of any firm action, and with the policies of this government, Mr. Speaker - the confusion, the misdirection and the lack of confidence that they're inspiring in investors, in business people, and in Manitobans generally - we cannot recover from the problems we face and we can't gain any true measure of equality of opportunity in the future, not with this government. And we won't, Mr. Speaker, until we get rid of this government.

Thank you very much.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. A. ADAM: Thank you very much, Mr. Speaker. One of the most often used unparliamentary words in this Assembly is "hypocritical" or versions thereof - hypocrisy, hypocrite, and, you know, the biggest offender is the Leader of the Opposition. In his opening remarks the other day, of course, he used that word and he used it more than once. From my seat, I said, watch it. He reacted very strongly to that. He said that he would use that word because all he had to do was look over here and that reminded him of the word hypocrisy or hypocritical. He questioned as to whether or not I was capable of spelling the word and that I should check the dictionary to learn how to spell it.

You know there are many words in the dictionary that I have a hard time to spell, Mr. Speaker, but there are some words that I do know how to spell and some of them are lame duck smart aleck. Speaking, you know, of - I don't like to use the word, Mr. Speaker, because it's unparliamentary - but listening to the Member for Roblin-Russell, I took a few notes down and some of his remarks were, we're spending too much money. We listened to harangue for 35 minutes this afternoon on all the expenditures that were taking place by this government.

The honourable member has a very short memory. It was last year, Mr. Speaker, he was asking us to buy all the cheese, all the surplus cheese in Manitoba, because Manitoba had a lot of surplus cheese. He harangued on the factories that had closed down temporarily to dispose of their surplus, Mr. Speaker. Those cheese factories are back in operation. We don't hear the honourable member screaming this year.

Mr. Speaker, last year he was asking us to liberalize the centennial grants, and made a big fuss about not being able to liberalize the centennial grants in the Province of Manitoba. They have the nerve to come back and speak the way they do. I leave you to make your own interpretation of members opposite, Mr. Speaker.

He mentioned about how bad it would be for the truckers in Manitoba with the gas tax being brought up to where it was when they were in office ad valorem.

Mr. Speaker, he mentioned about the trucker in Ste. Rose. He mentioned about the transfer in Ste. Rose. I want to advise the honourable member that the transfer in Ste. Rose went out of business when he was in office, when he was on this side of the House. He had better get his facts straight.

Mr. Speaker, I make those comments just to expose to you, in the event that you haven't already noticed, the position and the stance taken by members opposite.

You know, a great deal has been said about the deficits that we have faced last year and this year, deficits that are faced, similar deficits and greater deficits, by other jurisdictions right across this province. Mr. Speaker, we have never condemned deficits as such. When we were on the other side of the House and we criticized the former administration for their deficit, it's not because there were deficits, it's because when they were elected in 1977, they said there would not be any

deficits, that they would be erased and they would have balanced budgets. Let them explain that away.

Let them explain the fact that in Saskatchewan there would have likely been a surplus of \$200 million in the Province of Saskatchewan, but there happened to be an election and that surplus turned into a \$200 million deficit, Mr. Speaker. You know, the Member for Roblin-Russell said, you're always comparing with Ontario, that you never want to compare with the west. Let's talk about Alberta. What is their deficit in the first nine months of their operation - something like \$900 million, Mr. Speaker. Where's Alberta today? They're having their problems too.

Mr. Speaker, I'm pleased to take part in this debate because the Budget clearly indicates that we believe unemployment is the most serious economic challenge of our times. It is public enemy No. 1, Mr. Speaker. I want to say that I believe in this government - we've been accused of not coming up with any policies, not only by people in this House, but a few outside of this building as well, but the positive comments have been far greater than the negative comments. This government has shown that it can be innovative and it can be progressive, Mr. Speaker. We have indicated that job creation and the protection of existing jobs will continue to be our overriding concern in the coming year, and I would like any members opposite to say that should not be the case.

Mr. Speaker, we talk about deficits, in fact, I believe the Member for Arthur was cuing some of the municipal people at Brandon yesterday. He was feeding the question to some of his constituents up there to ask me questions when I was at the seminar yesterday, had to do with deficits. It was written all over his face, Mr. Speaker. My answer was, Mr. Speaker, put the people to work, get the economy turning, get those people paying sales tax and income tax and the multiplier effects and there won't be any deficits.

Mr. Speaker, I believe that we have addressed the problems that face Manitoba in a most progressive way and that is, an attempt to put into place programs that will put the people to work in Manitoba. That is what we need because the deficit is a far lesser problem than having to keep people idle, having to pay Unemployment Insurance, having to pay Social Assistance. There's no profit in that. That is a deficit not only to Manitoba but to the whole country.

Manitoba's economy, if we want to make a few comparisons, Mr. Speaker, has not performed, really has not performed as we might have wished over the past year but yet, Mr. Speaker, the recession I believe has hit Manitoba less severely than other provinces.

Saskatchewan has until recently been a very buoyant province. They are showing a deficit. I think the deficit in Saskatchewan was deliberately planned. But nevertheless, Saskatchewan has one of the most buoyant economies in Canada right now and we experienced the second lowest decline in real output. Those are figures that have been compiled by the Conference Board of Canada, Mr. Speaker. Now if they are not a credible group to compile those figures let members opposite say so.

We've had a very healthy population increase and that is encouraging. Yes, we've had a very healthy population increase. I'm very pleased, I believe that our Clerk is one of those statistics. I believe that our

Clerk who sits with us today is one of those people who migrated to this province and we certainly welcome him here.

Well, Mr. Speaker, 10,000 extra people in the last year. I grant you that the relief valve that was in place when you were in office, the relief valve in Alberta that attracted all the people away from Manitoba, they acted as a relief valve, but that relief valve has been shut off, Mr. Speaker, and we are now the second lowest unemployment rate in Canada next to Saskatchewan. We've traditionally been the third lowest; on a very few occasions, the second lowest. We are now the second lowest by a small margin over Alberta.— (Interjection)— Yes, when they were there they were fourth place for awhile so we fell back a bit.— (Interjection)— Well look at your statistics.

Mr. Speaker, another positive thing for Manitoba in the last year was our inflation rate as indicated by the Consumer Price Index was approximately 7.9 percent, substantially lower than the national average. I think that is something positive, Mr. Speaker, very positive.

Manitoba had the smallest loss in jobs as well right across this country. That is a positive thing for Manitoba. Alberta also had a small loss in jobs.

As I just mentioned recently, our unemployment rate is now second lowest in the country. That is a positive thing for Manitoba, but despite our positive economic performance relative to other provinces I want to say that I take little consolation because the human and the economic costs of the current level of unemployment are unacceptable, Mr. Speaker.

As I mentioned in my opening remarks, unemployment in my opinion is public enemy number one and we have to meet that challenge. We have to come up with programs to put the people to work and Manitobans are looking to this government to take an action-oriented approach to the economic crisis that we're going through.

Mr. Speaker, I mentioned that we were innovative and progressive and we plan to meet the challenge to the best of our ability. Several of my colleagues have noted that Manitoba cannot pursue economic recovery in a vacuum. It is impossible.— (Interjection)— Mr. Speaker, perhaps we were reading too much of the - should I say, garbage? No, I won't say that because that's unkind - too much of the pamphlets that were being distributed by members opposite where they said, you know, Manitoba's sitting on a gold mine. Perhaps we were a bit too optimistic. Maybe we swallowed some of that consumption that they were distributing out. Maybe we were a bit too optimistic, as were members opposite. But I say, Mr. Speaker, that a concerted attack on unemployment and recession can only be mounted if there is co-operation, co-operation amongst different levels of government, labour, business and various other groups.

The roots of this co-operation were established at the Economic Summit Conference in Portage la Prairie, Mr. Speaker. That is innovative, and we received some commendation today from a member opposite who went out of his way to be complimentary, I suppose, to say that was a good move to try and get people to co-operate together. Mr. Speaker, we must have more of this kind of dialogue.

My Leader and a number of Ministers toured the southern-western part of the province and met very

favourably with people out there, heard their concerns, community leaders. In fact, I was approximately three miles from the Member for Arthur's spread, a big farm.

MR. J. DOWNEY: Did you stop and see my oil well, Pete?

HON. A. ADAM: We were very well received, Mr. Speaker, on our tour and that is innovative, getting out and talking to people, communicating with people.

So we are operating within a set of parameters, Mr. Speaker. I mentioned innovative a while ago and that is why the Jobs Fund announced in the Budget is not meant to be a panacea, Mr. Speaker. The Jobs Fund is a first for Canada of this magnitude by a province during this recession that we're going through, and that is why we have placed it on the table, Mr. Speaker. We have put it on the table. We have thrown down the gauntlet. If the Federal Government is serious in their intent to try and negate the recession that they deliberately planned, I suppose perhaps unwillingly, but knowingly - I heard that word today in the question period, "knowingly" - Mr. Speaker, knowing that the policies that they were following, a high interest rate policy, high monetary, tight money, supply-side, American policy, high energy costs, which I said two or three years ago when you were on this side of the House, that is when the trouble started. That is when things started to go down the drain - high energy costs - that's when the western economy started to have problems.

Mr. Speaker, what did we hear from the Government of the Day was that the price of oil should escalate to the world price as soon as possible. What are they saying today about the oil prices, Mr. Speaker? Mr. Speaker, oil could come down to \$15 a barrel; it may come down. It has a long way to go, but here, you know, we have oil prices going down on the international market and we have oil prices going up in Canada because of a policy that was forced upon Canada by a province west of us, a province which had the power to cut back as much as 160 barrels a day on production to blackmail the people of Canada into submitting to higher prices, forcing the Government of Canada to go out and make deals with Venezuela and Mexico at much higher prices. Now there is a surplus, Mr. Speaker, and the Premier for Alberta is now concerned that his markets are disappearing; so he had better reminisce and think back on his past actions. That is where the trouble started, Mr. Speaker - high energy costs and high interest rates - those were deliberate policies. They weren't accidents; they were deliberate policies.

Mr. Speaker, I mentioned that the Jobs Fund . . .

SOME HONOURABLE MEMBERS: Oh, oh.

HON. A. ADAM: Mr. Speaker, it does however commit this government to take every possible action to create and protect the jobs in this province. We are doing that. We do not intend to stand idly by and wait for magical improvements, nor will we lose ourselves in the rhetoric of the free enterprise, with its accompanying philosophy of survival of the fittest. The fittest are having a very difficult time during this present planned recession - planned recession, Mr. Speaker.

Mr. Speaker, the underlying premise of this government's expenditures in 1983-84 is the maintenance and improvement of our basic human services. We must try and attempt to mitigate the hardships faced by those Manitobans most severely affected by the recession.

Our expenditure priorities include health care, education, community services, agriculture, and jobs. Those have to be our highest priorities.

Mr. Speaker, health expenditures have increased by 11.6 percent. We are committed to programs pioneered, in fact, by the CCF and the NDP. Community Health Care Programs - those are positive, progressive; hospital insurance - those are longstanding programs pioneered by the CCF; Pharmacare, Medicare, personal care homes - an improvement of the human condition. We must dedicate ourselves to those programs, to maintain those programs.

Education expenditures, Mr. Speaker, will rise by about 8.7 percent. This represents continuing support for the province's educational institutions.

Community services, which takes a fair chunk of our expenditures, will increase by 17.8 percent and, of course, these additional expenditures are, in part, due to increased social allowance costs brought about by a planned, deliberately planned recession.

Agriculture, the mainstay of our province, Mr. Speaker, should be increased by approximately 11 percent. An overwhelmingly successful Beef Stabilization Plan will continue to assist beef producers in this province, a group of producers that were ignored by the former Minister of Agriculture. — (Interjection)— Yes, that's all he did in four years and has rammed it down their throats against their will - against 80 percent of the . . .

A MEMBER: Do you want to withdraw it?

HON. A. ADAM: Don't tempt us. We believe in freedom. We believe in voluntary programs. We do not believe in compulsion like members opposite. The former Minister of Agriculture rammed it down the throats of the beef producers, Mr. Speaker - Bill 25. He took a big ram and rammed it down.

A MEMBER: A ram?

HON. A. ADAM: A ram, yes. Rammed it right down their throats.

A MEMBER: What kind of a ram?

HON. A. ADAM: It's supposed to be a sheep.

Mr. Speaker, additional funding —(Interjection)— if you want to talk about beef we can. Mr. Speaker, additional funding will allow improvements in farm operating credit programs to assist farmers experiencing short-term financial difficulties.

The Honourable Member for Arthur brought up a problem that one of his constituents, according to him, had. And I presume that all applications will be judged on their merits, Mr. Speaker, and there's no way that a province of a million people will be able to pick up all the pitfalls, all the woes, all the weaknesses in the marketing system of products, of primary products in

the province. It is impossible, Mr. Speaker, for a province the size of - we've already gone a long way in trying to preserve the basic herd with the Beef Stabilization Plan, a plan that members opposite said maybe perhaps 10 percent of the basic herd would be entered into the program. —(Interjection)— Not only you people, Mr. Speaker, but your friends out there. I would say that 60, 70 percent of the entire herd in Manitoba is in the program, of the basic herd, Mr. Speaker. Overwhelmingly popular, something that the Minister should have brought in a year before he went out of office. Innovative, progressive - saved the beef herd, Mr. Speaker.

The Labour Department, Mr. Speaker, is destined to play a pivotal role in Manitoba's job creation effort under the able leadership of my colleague, the Minister of Labour. She is doing a fantastic job. She has led the way in the new negotiations with the MGEA, innovative and progressive, first in Canada, Mr. Speaker. \$200 million we are putting on the table for the provincial Jobs Fund - \$200 million. The bankers should know that.

Mr. Speaker, this \$200 million includes creative application of tax revenues, redirection of planned expenditures that my colleague from Dauphin talked about in his very eloquent speech this afternoon, redirection of planned expenditures and the utilization of saved wages and salary expenditures, Mr. Speaker. In the context of these expenditures, I have to wonder at those who preach restraint at any cost. I have to ask members opposite as to which of the aforementioned areas they would like us to exercise restraint. Let them tell us where they want us to cut.

The Member for River East said we heard that song before. We get the condemnations; we heard that song before. Condemn the expenditures and then ask for more spending, like the Member for Roblin-Russel was asking us to do last year and many others. He even wanted my colleague, who sits next to me here, to do something about a bird that he had.

I would like them to announce, Mr. Speaker, what they would like us to cut back on. Let them tell us which hospital they'd like to see closed. Let them tell us which school they'd like to see closed. Let them tell us which school they want us to close. Who do you want us to lay off? Tell us what you would like us to cut back on. Announce it. Do you want us to cut health care services to senior citizens, to the poor or the disabled? Education? Tell us. Do you want us to cut back on the Beef Stabilization Program? Tell us. Would you like us to cut back on job creation programs? Tell us. Do you want us to quit helping those hard hit mining communities, Mr. Speaker, hit by layoffs? Shall we cut back on the mining towns that have been hit by cutbacks and layoffs?

Mr. Speaker, we have been told . . .

SOME HONOURABLE MEMBERS: Oh, oh.

MR. SPEAKER: Order please.

HON. A. ADAM: We have been told that once interest rates fell and inflation decreased that the private sector

would move into job creation with a vengeance. That is what President Reagan felt would happen and that's what members opposite believe.

MR. J. DOWNEY: What's happening with the steel workers' settlement?

HON. A. ADAM: Where is the evidence I ask of the private sector? Where has the private sector been able to lead the recovery? Mr. Speaker, it's nothing more than a Conservative pipe dream. Our government has shown that it intends to address the realities of the current economic recession and the bottom line of a government budget cannot be based purely on mathematics, a lesson that our Conservative opponents have yet to learn.

Thank you very much.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Mr. Speaker, I am pleased to participate in this 17th Budget Speech that it's been my privilege to partake of, and it is always a privilege to discuss perhaps one of the more important documents that any government brings down, or any particular, formal set-piece debate that we have in this Chamber.

I would take, of course, this opportunity - my first opportunity - to acknowledge and welcome our new Clerk in the Chamber. I wish him well.

Mr. Speaker, during those 17 Budgets that I have debated in, I have always been very aware of the fact that the Rules of the House, of course, have to be adhered to, even in a debate like the Budget, and I have always been one to follow all those rules. So I want to read several passages from the Budget that was delivered just the other day around which all my subsequent remarks will be tailored.

Mr. Speaker, there are these few passages in the brief time that we have. Of course, the opening arresting sentences are of concern to all of us.

"Unemployment is the No. 1 problem in Canada and it is the No. 1 problem in Manitoba. Creating jobs and saving jobs are the top priorities of our New Democratic Government and they are the most important objectives of this Budget." I want to, Mr. Speaker, come back to that because I think it's very important that we - there is no difficulty in acknowledging the importance of that opening statement.

I think there is some difficulty acknowledging what is, in fact, the kind of job that helps keep our society primed, the kind of jobs that supply the kind of wealth and revenue that can provide for our fellow citizens, the kind of things that all governments want to do as distinct from the kind of jobs I'm afraid that we have all fallen prey to, and perhaps with some degree of legitimacy.

You know, back in 1967 was a great centennial year for Canada, and it was a great thing, and we were then government in Manitoba, the national government. We said, what can we do for Canadians to celebrate this major event, this 100th birthday of Canada. We said, well, of course, let's loosen up the purse strings a little bit and we will see that every community, every municipality, every town and city in this land would have some additional funds to carry out some particular

favourite project. So we painted halls, we renovated halls, we even burnt down outhouses wherever they were thought to be an eyesore. We did all kinds of things and that was great fun, Mr. Speaker, and it did in fact provide for the necessary uplifting of many of our public services, community services, across our land.

Then, Mr. Speaker, although the plans were well away and the Progressive Conservative Government was going to repeat that at our Manitoba Centennial Celebration in 1970; however, we lost that election in '69 and so it was left to the New Democrats to host and to prepare those particular celebrations.

Mr. Speaker, again, we renovated halls, we brought artificial ice into curling clubs, we painted the same fence twice in some instances. We did all those other lovely things that we did at centennial celebrations and again, Mr. Speaker, there was nothing wrong with that. Many of those facilities needed this uplifting and they did indeed provide for it, particular jobs. But, Mr. Speaker, I'm afraid 'la the kind of comments coming out of this government, and their subsequent behaviour is that is what they think permanent job creation is all about. They honestly believe that is the kind of job creation that provides the basic wealth that this country needs if we are going to provide the services to our country and to our people. That's my problem with that opening paragraph of the Budget.

Mr. Speaker, I want to then refer to the fact that on Page 4, the Minister of Finance says, "Mr. Speaker, our Budget last year required a number of hard choices and hard decisions."

Mr. Speaker, the hardest choice and the hardest decision that this government has had to make, and I want to acknowledge, Mr. Speaker, it was a hard choice, it was a hard decision, a decision that I don't think I would have been capable of supporting if I were still in Cabinet, nor many of my colleagues. The hard choice, the hard decision that this government had to take was to tax senior citizens that are locked in on a 6 and 5 increase on their pensions, they're taxed by 1 percent of the sales tax of the unemployed, so that a certain segment of our society can enjoy a 27 percent increase in salaries with absolute guarantee of jobs. That was the hard choice, the hard decision that this government made.

Mr. Speaker, we are going to find out later on just how hard that choice is, because we will be able in our Estimate Review, so for instance that the Department of Highways will be doing 30 percent less work. Where are all those engineers and surveyors going to hide all summer because they've got a no-cut contract? They can't fire anybody, they can't lay off anybody, they can't repriorize anybody; and so while I may wish to see true repriorization where certain services, in fact, got some of those changes in direction of funds, that's not going to take place because of the hard choice, the hard decision that this government had to make, Mr. Speaker. They're making that hard choice and that hard decision when out in the real world, and I really find it difficult to believe that all members opposite aren't totally unaware of it, you know, the hard choices, the hard decisions that are being made out in the real world in the small business sector, the farmers.

My colleague, the Minister of Agriculture, just related a story this afternoon in the question period on big

business. Mr. Speaker, what's happening out there in the real world is that people are lucky to hold onto their jobs. People are working longer hours for the same pay; people are accepting less money and doing more work. Two thousand employees in Madeods retail chain accepted a 10 percent cut in their wages. Why? Because they recognized what the real world was all about, Mr. Speaker.

So, Mr. Speaker, and even perhaps in the most dramatic situation that we had in front of us just a little while ago, the strike at the Schneider Meat Packing Plant where the employees accepted a 6 and 5 offer subsequently, unfortunately didn't forestall a substantial layoff of 20 or 30 percent of their employees. I believe some 20 members were laid off.

But, Mr. Speaker, that's not the kind of recognition of what the real world is all about by honourable members opposite and that is a problem, Mr. Speaker, because it leads me to the other portion of the Budget Speech that I want to spend a bit of time on and that is found on Page 5, and I hear that all too often, I said this in my Throne Speech, and I acknowledge that the Minister of Finance, being reasonably honest - pardon me, Mr. Speaker, I will withdraw that. He is being honest, unconditionally, when he says and he puts in his Budget Speech that, "If national recovery forecasts are not borne out, our budgetary situation inevitably will become more constrained and our latitude for action even more limited." Well, Mr. Speaker, I think those are true words that were placed in the Budget and I think the Minister of Finance, better perhaps than others or certainly many others in this Chamber, is aware of the truth of those words.

What worries me and what really ought to worry all Manitobans, and I expand that to all Canadians because it is a Canadian problem - you know, Mr. Speaker, before Margaret Thatcher in the U.K. we talked a lot about the English disease, the British disease. Well, Mr. Speaker, I don't know, and I don't wish to again bend the Rules of this Chamber by discussing affairs beyond the competence of this Chamber to deal with and not get into a debate as to the policies of one Margaret Thatcher, but she is in her wisdom attacking that problem in a particular way and meeting with some success.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. H. ENNS: Well, Mr. Speaker, I won't be lured into sideline debates.

What I want to spend a bit of time on is, what are we doing in Canada to make sure? My colleague, the Member for Tuxedo, just made reference to it in his closing comments that we are in a position indeed to take advantage of the recovery that is so often and so glibly talked about and which constitutes a major portion of this Budget. A major portion of this Budget is based on the hope that the recovery will come and that we will participate in that recovery. Mr. Speaker, I ask you, what are we doing to make sure that we can participate in that recovery?

Again, Mr. Speaker - and I can just about hear the catcalls coming from members opposite - it's not my position here to defend what our American neighbours are doing, what President Reagan is doing. That's his

business. Mr. Speaker, there are other members in this Chamber that know more of the history of the United States than I do, so it would be presumptuous for me to make those kind of statements, but I know what is happening in the real world on that side. I know, for instance, that some time ago the largest union in the United States, namely the Teamsters Union, signed a three-year, no-raise contract. I know that, today, 265,000 United States steelworkers signed a contract that embodied a 9 percent decrease in their wage packet. I know, Mr. Speaker, that in a state like California which, in population terms and in wealth producing terms, is the size of Canada, some 23 million, 24 million people or more, they feel themselves tremendously upset because they are approaching a \$1 billion deficit and they are talking about being broke. Mr. Speaker, I know what the auto workers in Detroit in Michigan have done in terms of accepting the reality of Japanese, of German, of offshore competition.

Mr. Speaker, whether we wish to agree with them or not or whether we wish to - I'm being somewhat hampered, Mr. Deputy Speaker, by you occupying the Chair because, just a little while ago this afternoon from your seat, you talked about that lunacy policy that was being pursued by your erstwhile, you know, compatriots in the United States and I don't wish to - where's Bud Sherman? He always helps me with a word when I'm looking for a word - I don't want to reflect on the Chair but, Sir, you will remember your speech, of course. I don't want to get into the argument about whether President Reagan's economic policies are lunacy or whatever you want to call them, but surely nobody in this Chamber - is there anybody in this Chamber? - Mr. Speaker, if they do, then they are at variance with the express wish of the Minister of Finance that wrote this Budget, because he acknowledges that American policy is largely responsible for the difficulty that we, in western democracies and the world, are in with respect to our economic situation on Page 5, where he says, "At the same time, there is little doubt that much of the problem can be traced directly to the high interest rate policy of the Government of the United States and the failure of the government of this country to adopt monetary policies which were more appropriate to the Canadian situation."

Now, Mr. Speaker, if the Budget, on the one hand, places a large amount of the responsibility of our economic problems on the United States, ergo it's a reasonable assumption to make that if the Americans, whatever way they choose and it's not for us foreigners to pass comment on - well, we can pass comment on them, but you know they have their elected officials. They have elections and, by the way, they run their elections, their Congress, their Senators are elected biannually, every two years. Nobody can tell me that the American system is not a democratic one, so it's up to the people of the United States how they want to run their government.

What is recognized in this Budget is that it's important that the American economy recover and that we, in Manitoba, this Minister of Finance in Manitoba, indeed all of Canadians, are heavily dependent upon that recovery. Can we not agree on that? Seventy, 80 percent of our trade is with that country. We believe in that country.

Now, if we believe that to be the case, then why, Mr. Speaker, are we as Canadians and Manitobans not

paying a little bit more attention about how out of which we're getting with our major trading partner; namely, the Americans. Mr. Speaker, how can we assume that we can go blithely on with 13 or 27 percent or 12 or 6 percent increases, even 6 and 5 percent increases, when our major trading partner has recognized their competitive situation in the world and have cut back their demands and hardnosed organized labour leaders have acknowledged that there is a time when we have to get back on track, where they have accepted decreases in wage packets, where they've accepted no increases for two or three years, such as the Teamsters. How do we ever expect Manfor to sell forestry products back into the American market? How can we expect to do that, Mr. Speaker? How can that learned miner from Thompson expect International Nickel Company to sell Canadian nickel in competition with American nickel back into that market?

MR. S. ASHTON: We're in competition with the Russians, not the Americans.

MR. H. ENNS: Well, do you want to compare our wage packet to them? I didn't want to get that far . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MR. J. DOWNEY: Try another one, Landslide.

MR. S. ASHTON: It's slave labour. Is that what you like? It's the Russians, they've got slave labour.

HON. A. MACKLING: The Soviets have cheap labour - we've got to have cheap labour. That's what he's saying.

MR. A. ANSTETT: Two points, Harry, two points.

MR. H. ENNS: The point that I am trying to make, Mr. Speaker, is simply this and it's not just related to the Manitoban scene. It's related to our whole Canadian scene and I always worry about, when I hear the statement that is made so often and so glibly and I believe - well, I'll tell you why I believe, Mr. Speaker. I believe for many different reasons, but one of the reasons why I believe it is because my deskmate, Brian Ransom, told me so. That's always a good reason to believe and he told me the other day that he honestly believed that you fellows over there believed that the recovery was just around the corner and that, in essence, was the substance of your Budget. Isn't that what you told me? Right.

So I don't want to impugn any false motives or accusations on honourable members opposite, but that is why that particular paragraph on Page 5 which at least acknowledges, "If national recovery forecasts are not borne out, . . ." That shows me a little niggling, nagging doubt arising in your minds, as you, yourselves, signed 27 percent wage increase contracts and thereby set the pace for that. I mean, why should anybody else accept anything less? Mr. Speaker, you are not out there alone in support. The Union of Municipalities have asked you to support the 6 and 5 program. They need that kind of support to withstand the kind of demands on them that the educational system is providing. They

were looking for some help. They were looking for some leadership and, Mr. Deputy Speaker, it's just not being provided.

Mr. Speaker, I want to refer to one more passage of the Budget and simply ask and beg the question. On Page 20, the Minister of Finance says, ". . . indicates that the public debt costs have increased rapidly. For 1983-84, they are estimated at \$282 million, up \$155 million or 120 percent from the \$127 million total projected originally for the 1982-83 fiscal year."

Now, Mr. Speaker, the simple question is, that represents this year, public debt charges will account for nearly 9 percent of our total expenditures, compared to 5 percent last year; compared to over the last few years where it ran at 4.1, 4.5, 4.0 - '81 our last year. My honest question and I ask this question very sincerely, particularly to those - and there are members - those economists that tend to confuse us lay politicians. They'd say well deficits don't really matter, you know. And we've heard it from numerous speakers today, that when times are tough, governments have to expend. Okay, I can buy that, I'm with you, but I want to ask a question of the Minister of Finance? When does the debt charges, as it relates to the total revenue and expenditures, when does it become unacceptable?

I won't get into the economic argument with their Professor Bellan and others and other accountants that take that other charge. But when is it? Is it at 14 percent? Because by your own Budget figures and your own projections, we will likely be there next year. Is it at 18 percent? Is it at 25 percent? Mr. Speaker, when we start paying up to 25 or 30 percent of our total expenditures to a few money lenders in Zurich, or New York, or in Tokyo, surely that must even bother some of you people.

I mean when does it start to bother you? Could we not have an indication from the Honourable Minister of Finance, in the summing up of his Budget defence, or response - I don't know if that's done but he'll have an opportunity at question period. I'd like to know, I mean it could settle the argument, Mr. Deputy Speaker, it could make that argument much more acceptable that has been raging in economic circles with professional economists, as to whether or not deficit spending is okay and not to be worried about, or whether we should worry about deficit spending.

I suspect that it's around this figure, really perhaps, not so much the dollars. You know for our economy, it's around this figure. I can carry, as a cattleman, as anybody in business or something like that - my business may be able to carry a 4 percent or 5 percent debt, you know, interest charge low.

I think what so many of our businesses are experiencing, farmers, small businessmen, everybody else, and big businesses - what they're experiencing and what's hurt them is that all of a sudden that jump from an 8 or 9 percent interest rate, facing an 18 or 20 percent interest rate, all of a sudden it wasn't there and firms went under. I want to know what that figure is for government, or does that not bother anybody? I just want to know what that figure is.— (Interjection)— Well, Mr. Speaker, if it bothers you and I'm pleased at the response, then I would like some responsive reaction to this situation.

Mr. Speaker, I don't want to be unkind to the Minister of Industry and Commerce - I call her Industry and

Commerce, she's Economic Development - but you know I have to use an example that she was reported on - a statement that she made - that perhaps sets off better than anything else, than some of the rhetoric that we sometimes can be accused of throwing at each other in this Chamber, about the kind of fundamental difference between ourselves in this Chamber. That has to do with the recent change in ownership transaction involving Assiniboia Downs. You see, we all know Assiniboia Downs was in difficulty. We all know that Assiniboia Downs, leaving aside the moral question of whether one should be gambling on horse races, but from a pragmatic governmental point of view in looking at the revenue, the Minister of Finance knows what twangs conscience about that. But leaving that aside, look at this situation. It really pictures the difference between us.

It wouldn't bother me at all if the race track were in a non-profit organization, such as the Red River Exhibition hands. After all, by law, by federal law, statute law, the pari mutuel take - the return, the revenues to the province - is the same no matter who owns it. It wouldn't bother me at all if it is in private hands, as indeed it has reverted to private hands - Mr. Wright. Nothing wrong with that. The pari mutuel take is the same. But the Minister of Economic Development found it necessary to express her disappointment that it was in private hands. She found it necessary to express her disappointment because it was in private hands and I can't understand that because in private hands, we get the same pari mutuel tax, whether it's non-profit, or in private hands. But if it's in private hands, the government gets a second kick at him. If he happens to make a bit of profit, we get some corporation tax; if he happens to make - the more profit he makes, the more corporation tax we make, but that bothers this government, that bothers this Minister of Economic Development and I'm puzzled with that. I really can't understand that. Because to me, Mr. Speaker, that really puts a little question of doubt on what they really mean when they, in their speeches, talk about the need of a mixed economy.

Mr. Speaker, it makes us understand much better when they talk, as they do, about their great \$200 million Job Creation Program. Precious little, Mr. Speaker, about creating a climate to bring those jobs into the private sector. No, Mr. Speaker, they simply don't understand.

I think it was last year that the Honourable Member for Wolsley made the comment about somebody working in the public sector - well, that's okay, they pay taxes too. Well, of course they pay taxes. But, Mr. Speaker, basically it's a question of where you put the horse - I mean, in front of the cart, or behind it?

If you want a society that develops the kind of economy that it can afford, the kind of services that we've become accustomed to and you want it at the same time to be free and open, then you have to acknowledge the role of the private sector. If you don't, there's other ways of doing it.

We can solve the unemployment problem tomorrow. In three days there need not be any unemployed person in this province. We can pass a piece of legislation, as many jurisdictions have, namely the USSR, that to be unemployed is illegal and the 57 people that are now on the Minister of Community Service's welfare rolls,

they would become advisors to the Welfare Department, but they would have to accept direction from the government. I'm not being facetious. This is how the USSR solves this unemployment problem. There's nobody unemployed in the USSR. It's illegal to be unemployed. I don't think any of us wants to talk in those terms. We want a free - we want an open society, but, Mr. Speaker, you have to begin to acknowledge then the role of the private sector and from speaker after speaker after speaker we haven't been hearing it, Mr. Speaker, and by action, by your taxation measures, you are doing your best to see that won't happen.

Well, Mr. Speaker, I genuinely hope that this Minister of Finance can come back to us a year from now and either have his hopes borne out, except that in the Department of Finance, you know, that's one particular department where one shouldn't just be riding on hope; one should be riding with hard facts, the best projections. One should be riding with, if anything, small "c" conservative projections about what's going to happen, because it happens to be - you know, figures are figures.

Mr. Speaker, the giveaway perhaps is about this government's difficulty in this area, and their acknowledgment that they are going to have to do something, is about the commissioning and the embracing of the Wepler Report. When a government faces difficult times, the first thing they look at is, okay, let's spruce up our P.R. image, and so they have this Wepler Report that - let's spruce us this Wepler Report - that's fine. Well, Mr. Speaker, that's all right.

Yes, certainly, we used advertising as this government uses cartoonists to great avail to represent their Rent Control Program. All governments have done that, but what my government didn't do was essentially attack the essence of having a relatively - I say relatively because I'm a practical politician - relatively unbiased Information Service within government which you openly now say is, are you going to change? You're going to change. Why? Because, first of all, you recognize - and this is how you describe the media - the media, the major conduit of government information is first and foremost in the entertainment business and tends to make its news judgments on that basis. Mr. Speaker, I should be perhaps the last to speak. I have sometimes more colorful descriptions of the media from time to time, but I'll forego that.

Now, then, Mr. Speaker, more important the conclusion that you draw from this, Page 5 of the Wepler Report - it is assumed that the current administration shared the premise that people have the right to know and the government has the duty to inform - now that sounds great, you know, Mr. Speaker. It sounds as though maybe you were living in Uganda or maybe even Chile or Cuba or the USSR. We have a press, a relatively free press and an open media in this country. I share your anguish; I share my anger with them from time to time and I have expressed it from time to time, but is there no role for a free and open media to sit in judgment as I do in this Chamber? We call them or refer to them as members of the Fourth Estate to pass that judgment on. Do they not have responsibility, or is it as it is in totalitarian and state run organizations, the duty of the government to inform? Is that not really the true essence of their embracing

of the Wepler Report and their dismantling of Government Information Services as we know it and the putting into place political officers into each Minister's office to now disseminate the news.

Mr. Speaker, that is a sign of a government that needs that kind of insulation, that kind of presentation of facts that are hard, that even a media that is otherwise accused of being essentially in the entertainment business, intends to make news judgments on that basis as well as immediacy and conflict on occasion on ownership controlled self-interest.

You know, this government has written off the news media as we have it in this province. They can't be counted on because they are mostly there for entertainment business and we have to now take on that full responsibility of disseminating information and news as we see it through our eyes, through our politicians that we put in our offices, and then the news will be right and you will learn to obey it.

Mr. Speaker, I hope the Premier has second thoughts about full implementation of the Wepler Report, because it is rather sad that so many of these moves that this government takes tend to be ones that are hard to unscramble. I remind, it was this government, this government that politicized the Civil Service. In 1972, the Act was brought in that said civil servants become actively involved. That did a lot of things. That meant that the civil servants that didn't become actively involved were suspect in that office. There was a small office of four people working in a director's office and three of them ran out there with NDP signs on, and one didn't. He was fingered; that's what you did, and you had at least . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MR. H. ENNS: . . . and I made - no, hey, I - the honourable member from Natural Resources in this Chamber, when I made much the same speech and you didn't have the guts, you withdrew that bill in 1972, and we ran the election in 1973. In 1973-74 they reintroduced the bill and we now handle politicized information, and now we have, whether we like it or not. You are going to be debating, whether you pass it or not, but the mere fact that you're debating whether or not at your convention next week whether or not civil servants that don't fess up to the creed should have any position in the public service. That's what you're going to be debating at your convention, you know. Now, that kind of nonsense didn't take place, Mr. Speaker, and now they are changing, they are subverting Norm Donogh's Government Information Services shop into an essentially politicized type of operation.

Well, Mr. Speaker, I must give you fair warning. Of course, all these positions will become redundant when a change of government takes place. It has to happen. These positions will become redundant, these persons will have to be removed when a change of government takes place, because that's the reason why you're putting an end to it, but I accept that I want to put it on the record. Now, three years before the event, that is what will happen, and that is understandably why it will happen, just as I put on the record in 1973. We never had in this Chamber the kind of discussion by

Ministers that used to have - we can't have Deputy Ministers unless they are ideologically in tune with us. That was never discussed in the 60s until the NDP and Schreyer.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. H. ENNS: No, no. And you got your ideological —(Interjection)— That's right, and we fired him. No, no. K.O. McKenzie, Deputy Minister of Health, for many many years has always been a long-time member of the New Democratic Party. He served Dr. George Johnson throughout the entire Duff Roblin years.

Well, Mr. Speaker, I'm being thrown off kilter. I just want to close, leave that remark, that when a government starts to pay that much attention to their Information Services, then we know the reason that they're paying that much attention to it. When they cannot rely on the reasonably objective comments and bills as expressed by a press and media that has free access to the deliberations of this Chamber, that has scrutiny to the Acts that they present, that can be present at all these special committees that are part and parcel of our system, if they cannot rely on them to reasonably inform the public and they have to at public expense, bring them into politicized ministerial offices, then Mr. Speaker, I suggest, the people of Manitoba ought to be wary.

Mr. Speaker, I thank honourable members for the attention I enjoyed.

MR. SPEAKER, Hon. J. Walding: The Honourable Minister of Cultural Affairs.

HON. E. KOSTYRA: Thank you, Mr. Speaker. I am pleased to be able to participate in this Budget Debate.

Mr. Speaker, I am proud of this Budget. I am proud —(Interjection)— I'll talk about that in a minute or two if you listen for awhile. I am proud to be part of a government that, in these difficult times that face us in this province - it's not dissimilar, that's facing other governments right across Canada - have taken the issues on directly in the Budget, have taken on the major issue that's facing the province and that is jobs, jobs both in terms of job retention and job creation.

The people of the Province of Manitoba realize, I think, much better and much clearer than the members opposite what the issues are and they're not afraid and they're not whining and crying and huffing and puffing about what is contained in this Budget because they realize that this is a time in our province for sharing. It's a time for co-operation. The people that I talk to recognize the need for the government to act in the way that it's acting, to look at increased sharing in the form of taxation. The people recognize that. The people recognize that as a way to create and retain jobs in this province, that there has to be some co-operation, some sharing.

Mr. Speaker, I am also proud of this Budget and proud, in particular, of the Finance Minister and the efforts that he has made since taking on this portfolio some 14, 15 months ago. He hasn't ducked the issues; he hasn't ducked the people. He has gone out and consulted extensively on this Budget with the people in the province, with business people, with labour people

to find out what their views are. He wasn't afraid to do that. He didn't hide in his office and sit back and do it in the back rooms. He went out and consulted with the people of this province and it was very clear, from the consultations that the Minister of Finance had, that the people were concerned about jobs and knew that this Budget, more than any other Budget in the history of this province, had to address that issue.

As I indicated when I started, Mr. Speaker, this Budget looks at jobs in two areas; one, with respect to job retention and that is, I think, very clear in the way that we have treated Estimates this year; that we haven't taken the approach of right-wing governments in other parts of this country by simply cutting and slashing programs at will; that we look very carefully at expenditures of government with two visions or two views. One was the effect that those government services have on the people of the province to ensure that where we were holding down expenditures that they weren't going to hurt and injure people and, secondly, with a vision as to the job impact, the economic impact of those government expenditures which I'm sure that all members realize are very extensive.

We have also dealt with jobs, Mr. Speaker, with regard to job creation with the \$200 million Job Creation Fund that's contained in this Budget. I know and I am looking forward to working with the business people of this province, with the municipalities, with the labour movement to ensure that we are going to have meaningful job creation in this province. I know from the deliberations and discussions that I've had with, in particular, the City of Winnipeg and the business people that they are interested, and they are encouraged by this Budget.

As I indicated, Mr. Speaker, this government has taken a bold and direct approach to the problems facing this province. I sat with interest at the start of this debate, hoping to hear some constructive suggestions with respect to this Budget from the members opposite, but I really didn't hear that. What did we hear? What did we hear from them? Nothing. I heard, on one hand, that we ought to be spending more money in some areas, that we ought to be cutting, but I would ask them, what should we cut? I have heard criticism on the way that we've approached collective bargaining with our employees, but no concrete suggestions as to how we should deal with that. In fact, I think it was very appropriate - was it yesterday when one member said that it's really not their place to make any suggestions? They have no position, nor take positions. They have no position.

This government has taken on the issues in this Budget and we have dealt with the people of this province in an up-front way, informing them of the problems and asking them to share and to work on them. We have done that with the employees of the government. There was criticism of that discussion that led to the wage reopener. It was just yesterday that the Member for Pembina remarked that the Premier of the province wrestled the MGEA to the ground, kissing them in the ear, because he suggested that the accord with the Manitoba Government Employees' Association was a sellout, was a sweetheart deal.

What would the members opposite do? What would you do? You did have a chance. You know, you did

have a chance when you were in government to deal with wage reopeners and how did you deal with that? No, I'll tell you just to refresh your memory. How did you deal with the wage reopener?

During the latter part of 1981, there was an agreement between the Province of Manitoba and the Manitoba Medical Association that provided for a wage reopener if inflation exceeded 10 percent. According to the MMA, they thought that inflation actually did increase by more than 10 percent, but the actual figures showed that the inflation rate for that year was 9.96 percent. The MMA said to the government at that time, we want to reopen that contract and what did the government do? Did the government say, no, we shouldn't reopen it because the agreement was for a figure of 10 percent? What did they say? They said, yes, we'll reopen it. We'll sit down and negotiate and give you more money.

Let's compare the Tory approach to a wage reopener and this government's approach to the wage reopener. The MMA asked that government, some of the same members sitting over there, could you reopen our contract; no legal right to do that, but let's reopen the contract. What did the government say? Yes, we will do that. In the case of this government, we went to the union and said, we want to reopen the contract because of the difficult times we're in right now. We asked it. The union didn't come to us and ask for that reopener. What did they do? What did the Tories do when they reopened that contract? Did they bring down the rate of increase? Did they bring it down? They increased it, Mr. Speaker, by some 7 percent. What was contained in that agreement, Mr. Speaker, was a settlement - great bargaining skill, tough bargainers - was a wage increase of 8.9 percent.

You know what happened after —(Interjection)— election coming, yes, it was very close to the election. You know what the end result, Mr. Speaker, was? Not the 8.9 percent that the MMA and the government were legally bound with, but rather, a 15.5 percent increase. A 15.5 percent increase at a time when inflation was running at under 10 percent, Mr. Speaker. Compare that, Mr. Speaker, with the approach of this government where we went to the union and we said that we needed their assistance during these times and the union voluntarily, with co-operation of their membership, agreed to reduce their wage demand, not increase it by 7 percent, but to reduce it by close to 3 percent.

Just to highlight the two differences, Mr. Speaker, I think one should just put it in a context of not only percentages, because percentages sometimes are misleading, but one should look at the saving that this government has effected by co-operation with its employees and their union, as compared to the cost that the Tory approach to wage reopening cost.

That approach by the previous government caused the budget of the Manitoba Health Services Commission to increase by \$7.5 million. The Tory approach to wage reopeners. Up \$7.5 million - we're paying for that today, Mr. Speaker, as compared to the approach of this government where we have been able to effect a saving this year of \$10 to \$11 million. That's the Tory approach.

You want to talk about hypocrisy, Mr. Speaker? That's hypocrisy. So when the Member for Pembina talks about the Premier kissing in someone's ear, I wonder what went into the ear of the Member for Pembina?

HON. A. MACKLING: I wonder who's kissing them now? Not us. That's for sure.

HON. E. KOSTYRA: And not only does the accord with the government employees provide for a net saving this year, it also brings down the wage increases for future years to a zero percent rate for the first three months of the next contract year and then a minimal 1.5 percent for the next three months, which would, on an annualized basis, be less than 5 percent, which is considerably less than the average wage settlements right now.

And it was done, Mr. Speaker, not by having a club, by forcing legislation, by having confrontation, which is the approach of most other governments in this country; but it is sitting down and dealing with people up front and saying, these are the problems, will you co-operate and that's the approach of this government, Mr. Speaker.

Mr. Speaker, I'm looking forward to the debate in this Session. I'm looking forward to the detailed review of the Estimates as the plans of this government unfold and show the focus that we have on job retention and job creation. You know, Mr. Speaker, I said it earlier, but when you listen to the "huff and puff" over there, there's nothing there. There's absolutely nothing there.

Has there been a concrete suggestion of dealing with the problems facing this province? I haven't heard one and I've sat here, I've listened, I've tried not to get caught into the rancor of debate, but there's no suggestions. Even one member admitted that they have no position, but I think it'll become more and more clear as we get into the future days and weeks of this Session, Mr. Speaker, that this government has taken its role seriously in the most difficult time in the history of this province and that we've taken the issues head-on and have not played games with the people of the province and have dealt with things and dealt with people in a co-operative fashion. Not by confrontation, which is the style of other governments, but in co-operation.

Mr. Speaker, again the major focus of this Budget is jobs and I know that the people of the province, the people that I talk to, the people that are unemployed, realize that this is the kind of direction that has to be taken. You know the people that are employed are not complaining about the increase in taxes. They understand the concept of sharing, of co-operation in these difficult times and they want to do their share.—(Interjection)— That's a different approach. I know it's something that they have difficulty understanding. It's not the approach of any other Conservative Government or right-wing government in Canada and it's hard for them to understand it; it's hard for them to comprehend it, because they don't deal with that and they really don't know how to deal with these kind of issues.

A MEMBER: Take the blinkers off, Kostyra.

HON. E. KOSTYRA: Blinkers off, Mr. Speaker, I don't have any blinkers on. I have no trouble dealing with the issues that face the province. I don't talk out of both sides of my mouth about being hard and being tough, and on the other hand, doing something different when I'm in government.

Mr. Speaker, I look forward to working with, particularly the City of Winnipeg, who I know share the concern of this government. We met just days ago with

the official delegation of the City of Winnipeg and discussed looking ahead to the future, as to what kind of activities can be done co-operatively, between the city and the province in job creation.

I'm pleased with the kind of assistance that we've been able to provide the City of Winnipeg during this year, which is going to allow the City of Winnipeg to maintain its services to the citizens of Winnipeg, maintain the employment base that exists there and also to keep the mill rate increase of the City of Winnipeg to a very modest level, the lowest that's been seen in the last five years in the City of Winnipeg.

I'm also pleased with the approach that we're taking with respect to the major, cultural institutions in this province, Mr. Speaker. While all of those facilities understand and recognize the difficulties in the province, they're willing to share and they're willing to do their part, in order to ensure that we weather this current storm and that approach is different than what's taking place in other provinces.

I recently met with all the other Ministers of Cultural Affairs and Historic Resources from across the country, and in our private discussions, they were very concerned as to what was happening with respect to their areas in other provinces - 25, 30 percent cuts, just right across the board. No rhyme, no reason, just cut - not looking at what those programs are doing, or what impact that they have on the employment in a province and also the quality of life in a province, which culture and heritage and libraries play. I know that some of that is recognized by a few members on the opposite side - the Member for River East made mention of the comments in the Throne Speech Debate, from the Member for Gladstone, who I know, shares my concern to ensure that we have those kind of resources,

particularly in the library areas for people in this province.

So, I am pleased with the approach that this government has taken with respect to Cultural Affairs. I'm also pleased and honoured to be working with the City of Winnipeg, in order to ensure that the City has adequate services, and I know, as I indicated, the City shares our concern with respect to job creation.

Again, Mr. Speaker, I think I'll bring my comments to a close by reverting back to where I started, that the major focus of this Budget, and the major focus of this government is on jobs, job retention and job creation. I know that the majority of the people in this province share in those concerns and are prepared to work with this government either individually or collectively and that's been evidenced by the kind of representations that have been made and the kind of discussions that have taken place with this government, and with unions, and with business people in this province. I think that we can make a dent, Mr. Speaker, we can do a lot to alleviate the serious unemployment problem of this province with the kind of direction this government is taking in co-operation, not in confrontation like the Conservatives would have it, but in co-operation with the people of this province. Thank you.

MR. SPEAKER: The Honourable Member for Virden.

MR. H. GRAHAM: Mr. Speaker, is there any inclination to call it 10:00 o'clock?

MR. SPEAKER: The House is accordingly adjourned and will stand adjourned until 2:00 p.m. tomorrow (Wednesday).