



Third Session — Thirty-Second Legislature
of the
Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

33 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, Hon. Andy	Springfield	NDP
ASHTON, Steve	Thompson	NDP
BANMAN, Robert (Bob)	La Verendrye	PC
BLAKE, David R. (Dave)	Minnedosa	PC
BROWN, Arnold	Rhineland	PC
BUCKLASCHUK, Hon. John M.	Gimli	NDP
CARROLL, Q.C., Henry N.	Brandon West	IND
CORRIN, Q.C., Brian	Ellice	NDP
COWAN, Hon. Jay	Churchill	NDP
DESJARDINS, Hon. Laurent	St. Boniface	NDP
DODICK, Doreen	Riel	NDP
DOERN, Russell	Elmwood	IND
DOLIN, Hon. 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	Virten	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, Hon. 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.	Wolseley	NDP
PLOHMAN, Hon. 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, Hon. 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

Friday, 27 April, 1984.

Time — 10:00 a.m.

OPENING PRAYER by Mr. Speaker.

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

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister of Highways.

HON. J. PLOHMAN: Yes, Mr. Speaker, I wish to table the 1984-85 Highways Construction Program.

MR. SPEAKER: The Honourable Minister of Co-op Development.

HON. J. COWAN: Yes, Mr. Speaker, I beg leave to table the Annual Report for the year ending March 31, 1983, for The Co-operative Loans and Loans Guarantee Board.

MR. SPEAKER: The Honourable Minister of Employment Services.

HON. L. EVANS: Mr. Speaker, I have a statement to make.

Mr. Speaker, because of the general interest in population changes and population growth in Manitoba, I am pleased to provide this Assembly with a series of charts highlighting some of the more significant statistics released recently by Statistics Canada.

The first of these charts, which illustrates the January 1 estimates of the population of Manitoba from 1974 to 1984, shows that the population of Manitoba rose from 1,041,500 people at January 1, 1983, to 1,051,500 as of January 1, 1984.

A second related chart depicts the gain or loss in the population of Manitoba for each of the years 1974 through 1983. It shows that in sharp contrast to the serious population declines, particularly in 1978 and 1979, we've experienced significant increases in the past few years.

For example, while Manitoba's population was reduced by 2,400 in 1978 and 4,800 in 1979, we realized an increase of 11,400 in 1982 and another increase of 10,000 people in 1983.

Population changes, Mr. Speaker, are a result of the province's natural increases, the foreign immigration into Manitoba and interprovincial migration. This latter factor is significant and is illustrated by another graph which I am providing today, showing the net effects of interprovincial migration on Manitoba's population for the years 1974-1983.

It indicates, Mr. Speaker, that we have virtually halted the heavy outward migration of Manitobans which plagued this province a few years ago. In 1979, when

the economic recession and cutbacks in this province meant that many Manitobans were forced to seek opportunities elsewhere, we experienced a net loss of 13,800 people. By 1983, this situation improved to a net loss of only 100 people.

In effect, we have reached a point . . .

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

MR. H. ENNS: Mr. Speaker, while the opposition is always interested in getting more information, I wonder, under our rules, what particular policy statement is the Minister making.

MR. SPEAKER: Order please. The Honourable Government House Leader, to the same point.

HON. A. ANSTETT: Mr. Speaker, to the same point of order, although I did not specifically hear from the Honourable Opposition House Leader a suggestion that our rules were being breached, I would point out, Sir, that with respect to statements of this kind, we monthly have ministerial statements and did, from members opposite, with regard to important sets of statistics on a monthly basis, consumer price index, unemployment, labour force statistics the first Friday of every month and these things were normally presented to the House by way of ministerial statement.

Similarly, Mr. Speaker, when there is significant information in the spring with regard to flood forecasts and water run-off conditions or the Minister of Natural Resources' reports, those are not policy statements, but we have established, by precedent, that those things are reported to the House on a regular basis.

I believe, Mr. Speaker, subject to the interjection by the Member for Lakeside, that those statements often are made by ministerial statement, and that applied to winter road conditions and a variety of things like that. I would expect that the House would want to continue that practice to enable all members and the people of Manitoba to be fully informed about issues that affect the people of Manitoba.

MR. SPEAKER: The Honourable Minister of Employment Services.

HON. L. EVANS: Thank you, Mr. Speaker. By 1983, as I was saying, the situation improved with a net loss of only about 100 people. In effect, we have reached a point where the inflow to and the outflow from Manitoba are now breaking even.

Also, in contrast to our population growth rates in some past years, and especially during 1978, 1979 and 1980, the rate of Manitoba's population increase was above the Canadian average in the year 1983.

Statistics like this would seem to indicate that Manitobans are choosing to return to or stay in their home province because the economic position has improved relative to other provinces. The continually

improving opportunities, relative to other provinces, are attracting them back or keeping them here in increasing numbers.

Mr. Speaker, although I don't have a chart on it, I just might add, by way of a footnote, the same pattern is detected in the City of Winnipeg and now Stats Canada has released figures showing for the census, Metropolitan area of Winnipeg, for the first time the population has exceeded 600,000. It's now 600,700 people as of June 1, 1983. I believe that these statistics, these recent statistics, provided by Stats Canada provide an encouraging picture of Manitoba's population growth at present and I do hope that this Assembly will find them of interest.

Thank you.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Thank you, Mr. Speaker. I want to thank the Minister for presenting us with that report, for reading the statistics to us that we all could have read very easily through his presentation of the report as the Minister responsible for the Manitoba Bureau of Statistics. I thank him for the comments and the footnotes, as well for the foot-in-mouth notes that he gave along the way.

Mr. Speaker, this was not a statement of government policy, this is information that should have been available in the normal course of events through the Manitoba Bureau of Statistics. It's another blatant abuse of the rules of the House and a blatant abuse of the privilege of this Minister as other Ministers in presenting this sort of information to the House in a partisan, political statement.

Mr. Speaker, I appreciate the fact that this Minister has nothing else to do, that this is how he has to get his attention in the media, to come to the House with this. But, Sir, I say to you that this is not something of any value to this House to put the Minister through this sort of exercise.

MR. SPEAKER: The Honourable Minister of Education.

HON. M. HEMPHILL: Mr. Speaker, I have a statement. Mr. Speaker, it's my pleasure to announce to the House major changes which will take place over the next three years to expand and modernize post-secondary training opportunities through our community colleges. We must provide new training in both the social and economic field to meet the changing needs of society and the economy. We know that technology is creating new jobs and eliminating old ones.

Changing social conditions such as the increase in the number of women in the work force are creating new social needs. As was stated in the Throne Speech, the development of a well-trained work force is crucial to the future prosperity of this province. It is the special role of our community colleges, not only to provide skilled training for jobs that are in demand right now, but for jobs that will help us to keep pace with the province's changing social and economic needs.

It has been more than a decade since our community colleges were reorganized and it is time for their renewal. The changes in the post-secondary training

are both profound and long term. Initiatives to social, economic and technological needs include:

Changes in the design of training programs which will break them into smaller two to four week units, which people will be able to enter at various points during the year.

Introduction of assessment to give credit to students for the skills and knowledge they have acquired before they enter the training program.

Use of generic training units which will teach skills common to a variety of jobs.

Evaluation of community college programs every four years and the use of a seven point criteria to judge the ongoing relevance of specific training programs.

Continuation of department and union collaboration on the ongoing retraining of staff.

Increased emphasis on on-site industrial training through a co-operative approach with business and labor.

Introduction of new critical skills training programs to provide skilled manpower for industries and services which are central to the long-term economic development of the province.

Introduction of a pilot program in co-operation with management and labor to retrain workers from old jobs to the new jobs created by technological change.

Substantial increases in computer assisted learning techniques to provide more individualized training and to increase the number of students served.

A streamlining of the organization of colleges in order to reduce administrative costs and to redirect these resources into instruction.

Many adults, Mr. Speaker, for social, economic and cultural reasons have not had the opportunity to pursue post-secondary training in the past and increasing numbers of adults require retraining.

To meet these needs we will be introducing the following initiatives to improve adult education opportunities:

Increased English as a second language program for adults, including a new program of English in the workplace, to respond to the fact that Winnipeg is one of the largest recipients of immigrants in Canada.

A new literacy program to respond to the national problem of adult illiteracy.

In response to the needs of our increasing aging population, introduction of a new educational program for seniors provided by seniors.

To reflect our commitment to adult education we will be renaming the Post-Secondary Career Development Branch to be called The Adult and Continuing Education Branch.

New thrusts in post-secondary training will also include strategies to improve accessibility to training throughout all regions of the province through the following means:

Creation of a community college advisory committee at each of the three colleges.

Development of a network of community college satellite centres to be located in every region in the province.

Use of distance delivery technology such as Telidon, teleconferencing and mobile microcomputer trailers to deliver programs to wherever students may live in the province.

Creation of university-level programs for use in a distance education delivery system to enable students to complete degrees without having to travel to a campus classroom.

Changes in admission policy to allow students to enter training at more points by assessing and giving credit for skills and knowledge they already possess.

The final area of change is the integration of student services. By integrating financial help, personal and career counselling, and academic support for students, we can provide students with the kind of help they need when they need it the most. The more people who succeed in our programs the better we have spent our educational dollars, Mr. Speaker.

Specific initiatives include:

Development of a simplified computer-based system for students which will provide information on career opportunities and financial assistance.

Broadened access programs and career counselling for women, single parents and the handicapped.

The development of a learning support centre in each college to provide academic and life skill programs.

The appointment in each community college of Native student advisors.

In summary, Mr. Speaker, our community college and adult training system will be in the forefront in its capacity to respond to technological change. We will be able to assure the people of Manitoba that the training of our young people will be directed towards jobs of the future. We will also, Mr. Speaker, be in a strong position to respond to the retraining needs of existing workers and to the many adults who are now continuing their education. One little aside, Mr. Speaker, we are doing it with no additional money.

MR. SPEAKER: The Honourable Member for Morris.

MR. C. MANNES: Thank you, Mr. Speaker. I thank the Minister for her statement this morning. I suppose my first reaction, Mr. Speaker, is that there are many motherhood statements included in this statement today. I would, however, like to indicate that I feel it is government's responsibility almost in all situations like this to institute these types of changes where it can be seen that the benefits of the changes will, of course, accrue to all seeking higher levels of education.

Mr. Speaker, we will want to provide to ourselves a fair amount of opportunity to digest this material. I would think that it might have been better expected for the opening of Estimates, but nevertheless I must tell you it might make up for the lack of mention of education within the Throne Speech and also within the Budget offer.

Mr. Speaker, yesterday the Minister finished off her statement by saying that there would be no significant change in the costs associated with the support offered to our community colleges, and of course that is

noticeable with the Estimates that just have been laid before us. We'll be interested to see how all these changes of course can be brought into place, some of them which of course we support wholeheartedly. It will be interesting to see how that can be effected within the same financial restraints.

Mr. Speaker, specifically, I suppose the only comment that I may have regarding the changes in the design of training programs which will break them into smaller two to four week units, I would say we'd be interested to ensure ourselves, and I suppose all students, that the quality offered by those programs remain the same.

Other than that, Mr. Speaker, we accept the Minister's statement, and of course we will endeavour to look more thoroughly into these areas once greater detail is provided.

MR. SPEAKER: Notices of Motion . . . Introduction of Bills . . .

INTRODUCTION OF GUESTS

MR. SPEAKER: Before Oral Questions, may I direct the attention of honourable members to the gallery. We have 31 students of Grade 5 standing from the St. Alphonsus School under the direction of Mr. Sinnott, Mrs. Lancaster and Miss Dziezic. This school is in the constituency of the Honourable Member for Elmwood.

There are 20 students of Grade 5 standing from the Chapman School under the direction of Mr. Weber. This school is in the constituency of the Honourable Leader of the Opposition.

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

ORAL QUESTIONS

Payroll tax

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, my question is to the Minister of Finance. The Minister of Finance has recognized the administrative and political foolishness of applying the jobs tax to employers with a payroll of less than \$50,000 and he will be thanked for that by many people. But in removing that tax, he has created inequality and injustice for employers with payroll taxes of over \$50,000 and has created a disincentive for people in that bracket and the lower bracket to expand. In order to remove that injustice and disincentive to employers to expand, will the Minister of Finance consider providing an exemption for the first \$50,000 of payroll, exempt that from the job tax?

MR. SPEAKER: The Honourable Minister of Finance.

HON. V. SCHROEDER: Mr. Speaker, as the member is aware, the cost of this particular tax change is approximately \$7 million for the current year. The suggestion that he makes would cost us - I don't have the exact number - but certainly it would cost us double that again, because all of the people now paying would be in a position where they would pay at least that,

the \$750.00. That is, it would be a \$750 cost to us for each of the approximately 7,000 employers who are not affected by the change.

I would point out to the member that the method used here is identical to the method used by their government and our government when we changed exemption rates on the corporate capital tax. That is, I can't recall at what level it started, but it started at some level and then in succeeding Budgets the exemption level was increased, first by the Conservatives and then by our government last year, and when people have total corporate capital above that \$1 million level, then they are required to pay right down to zero. He's right in terms of it being a difficulty for employers who are above that bracket, and I would love to be able to do that, and it may well be that at some time in the future when the economy recovers to a further extent we will be able to do that.

I'd just point out that with respect to the reaction to this Budget, I notice that the Investment Dealers Association, for instance, is saying that it was the kind of Budget that would stimulate that kind of recovery that may give us that kind of an opportunity in the future.

MR. B. RANSOM: Mr. Speaker, this is a tax on jobs that creates a disincentive. Does the Minister recognize that this tax will create an injustice for those who have payrolls of over 50,000 and will create a disincentive for those with payrolls under 50,000 to expand to the point where they have payrolls over 50,000?

HON. V. SCHROEDER: Mr. Speaker, let's keep in mind that we live in a world where we have certain costs. If an employer was in the Province of Ontario there is no such exemption. Their employees pay \$658 or something like that - certainly over \$600 a year - in Medicare premiums. The Government of Ontario says that employers pay about half of that or more and there is no such exemption there.

We have other alternatives to raise our funds. The Conservatives are now apparently denying their Deputy Leader's suggestion that a 2 percent sales tax increase would be better than this particular way of proceeding and certainly that is not under advisement, not that statement. That statement is on the record, that statement is very clear, and let us not play those kinds of games. Those are the kinds of alternatives we have.

Mr. Speaker, we have the opposition on the one hand standing up and saying remove various taxes. We've had the Leader of the Opposition tell us the other day that we should eliminate about an additional \$25 million worth of taxes by eliminating the sales tax on production of machinery and equipment.

Now, we're having another suggesting of another certainly \$5 million or more dollars in decreases in taxes. Occasionally, we ask the opposition then to tell us where it is that we should get the money from because jobs have increased by a greater extent since we . . .

MR. SPEAKER: Order, order please.

HON. V. SCHROEDER: . . . introduced this tax in Manitoba than in other jurisdictions in Canada.

MR. SPEAKER: Order. For the answer to a question to turn into a statement or a debate to the House would be an abuse of the question period.

The Honourable Member for Turtle Mountain.

MR. B. RANSOM: If he wants to know where to cut some money, let him cut the \$1.3 million amoral advertising program for the Jobs Fund, and let him cut out those ads that he had in the Free Press yesterday.

MR. SPEAKER: Does the honourable member have a question?

Manitoba Government Employees Association - settlement

MR. B. RANSOM: Mr. Speaker, a final supplementary to the Minister.

A question to the Minister, Mr. Speaker, how much money was included in the Estimates to cover an anticipated settlement with the Manitoba Government Employees Association dealing with the period from the end of September '84 to the end of March '85?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, in view of your injunction to the Minister of Finance in respect to his response, I would ask you if the same injunction ought not to be submitted to the Member for Turtle Mountain in respect to the preamble and the nature of the statement that preceded the question?

MR. SPEAKER: Order please.

Let me quote once more for members Citation 359.(2) of Beaudesne which says: "The question must brief. A preamble need not exceed one carefully drawn sentence. A long preamble on a long question takes an unfair share of time and provokes the same sort of reply. A supplementary question should need no preamble."

If members on both sides will respect the normal procedures of question period, perhaps it will proceed smoothly.

The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Well, Mr. Speaker, I apologize for that, but I was provoked.

Mr. Speaker, can the Minister give an indication of how much money is in the Estimates to cover that anticipated settlement with the Manitoba Government Employees Association to cover the period September '84 to the end of March '85?

MR. SPEAKER: The Honourable Minister of Finance.

HON. V. SCHROEDER: Thank you, Mr. Speaker, I know the feeling, that will be covered and discussed in the Estimates.

All-terrain vehicles

MR. SPEAKER: The Honourable Member for Elmwood.

MR. R. DOERN: Mr. Speaker, I'd like to direct a question to the Minister of Highways and ask him whether he

has been receiving reports about the number of children, some as young as eight to 10 years old, who have been seriously injured or killed on three-wheel ATV all-terrain vehicles in Manitoba?

MR. SPEAKER: The Honourable Minister of Highways.

HON. J. PLOHMAN: Thank you, Mr. Speaker.

I haven't been getting those specific reports, although I've read the same news stories that the honourable member has. We have indicated previously and one spokesman from the department was contacted by the media and, of course, he did indicate quite correctly that the department is looking at an act to cover all-terrain vehicles. It would cover such things as operation, location where operation could take place, and various training that may be required for licencing and other safety features that could be included.

Those things have not been finalized, but we are consulting with municipalities, for example, to determine exactly what kind of regulations they have in place by way of by-laws, as well as with the industry and with users of all-terrain vehicles so that we can come up with a statute that will meet the needs and will meet the safety requirements. We are concerned, as well as the honourable member, with the reports that we're hearing and we're working on it.

MR. R. DOERN: Mr. Speaker, can the Minister indicate why helmets are not now a requirement on such vehicles?

HON. J. PLOHMAN: The helmet law, as the honourable member knows, covers the motorcycle helmet area. We do not have compulsory helmets for snowmobiles which are not operated on the highway system, or three wheelers which are covered under The Snowmobile Act at this time. That is one area that will be considered.

MR. R. DOERN: Mr. Speaker, following the previous comment of the Minister, would he be prepared to introduce legislation this Session which would, first of all, limit the age of the rider and, secondly, make helmets mandatory?

HON. J. PLOHMAN: Well, Mr. Speaker, we will have to make those decisions. We are not in a position to introduce that legislation at this time, and we all realize the lateness of the Session, also the consultation process that is required, and we will be introducing that kind of legislation as soon as possible.

Labour Law Review Report

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. R. BANMAN: Thank you, Mr. Speaker. I direct my question to the Minister of Labour, and would ask, in light of the proposals tabled by the Minister with regard to changes in Manitoba labour legislation, would she now table in this House the background material and the report that Ms. Smith did for her department?

MR. SPEAKER: The Honourable Minister of Labour.

HON. M.B. DOLIN: Thank you, Mr. Speaker. A decision has been taken, and the parties on both the labour and management sides have been informed that the Marva Smith report, because it was not dealt with entirely in the proposals for changes to labour legislation, will not be made public at this time.

There is a section in the paper that you received, the White Paper called Section (G), and I would refer the honourable member to that. Certainly, that is an example of a large section of the report that has been received internally by the government with which we are still dealing and we will be dealing over this coming year.

So the report from Marva Smith will not be tabled until it is complete. Phase 1 has been completed; phase 2 is under way, and it will be released to the public when the entire report, Phase 1 and 2, are complete.

MR. R. BANMAN: In light of the Minister's statement that we will be asked to deal with legislation within the month, and she will be tabling it in this House, and in light of the fact that Ms. Smith's report provides the background and rationale for the document which she released on Wednesday, I wonder how she can now, with her party stance on freedom of information, not allow the members of this Legislature and the general public to have a copy of that report.

I would ask her once again to reconsider, since we are going to be dealing with some major labour legislation in this coming Session, why she will not, and I would ask her to reconsider to table that report in this Legislature.

HON. M.B. DOLIN: Mr. Speaker, certainly nothing is being hidden, and I fully intend to share research and background with the interested parties for the various questions they may have about the White Paper and facets of the White Paper as they come forward. In fact, we are now preparing to pool from over 800 pages of research alone that was done in the preparation of this first part - some information about sections, or innovative changes that are being proposed in the White Paper - so that parties on both sides can understand how various proposals have worked in other jurisdictions.

I think that that's fair that they have that, but that is the research; that is not the report, and the research that is required will be shared with people as they determine whether or not they support, whether they want to fine tune and what kind of discussion they want to have with myself and other Ministers over the next two weeks before the final drafting proceeds.

MR. R. BANMAN: Mr. Speaker, a further supplementary to the same Minister.

Since the public was invited by the Minister to make submissions to Ms. Smith's committee, one-man or one-person committee, how can she say that this is an internal document only for the use of her department?

The public who has made submissions to this government, to this commission, has a right to know what the Minister has received by way of final report, and I would ask her to reconsider that in light of the fact that people were asked by her to make public, or to make representation, and ask her to table that report.

Further to that, I would like to ask her what the report has cost the Manitoba taxpayer?

HON. M.B. DOLIN: Mr. Speaker, I believe I made clear in my answer to the first question that the report is not complete. Phase 1 has been done. There are something like 22 acts that relate to labour and working people in this province. Phase 1 has been completed, phase 2 is just beginning, and the report will be made public at the end of the contemplation by the government.

I would like to correct the member. It is not Manitoba Labour's report; it is the government's report after deliberations for recommendations for the entire changes to what will be Manitoba's labour code. We do not want to release half a report or a third of a report or any portion of a report; we want to release the complete report. That is what we will do when it has been completed. Even as far as Phase 1 is concerned, it was determined by the government that not the entire report would be considered at this time; so that will be taken under consideration in the following year; so it is still an internal document until Cabinet and caucus have had time to determine what recommendations they will make.

MR. R. BANMAN: Mr. Speaker, maybe I missed it, but could the Minister tell the House what that report has cost the taxpayers of Manitoba?

HON. M.B. DOLIN: Again, Mr. Speaker, I must remind the member that the preparation of the report is certainly not a one-man report as he mentioned. I would correct him on that.

The report is not complete and, when the report is complete, I would suggest that the member file an Order for Return if he wishes that information.

Budget

MR. SPEAKER: The Honourable Member for River East.

MR. P. EYLER: Mr. Speaker, I have a question for the Minister of Finance.

As it is usual practice on Budget night, there were a large number of investment dealers in the gallery. I was wondering if the Minister of Finance could tell us whether he has had any feedback from the financial community on his Budget.

MR. SPEAKER: The Honourable Minister of Finance.

HON. V. SCHROEDER: Mr. Speaker, yes, I met with them that evening socially and the next day on a business basis, and I was quite pleased with their response. Indeed, Mr. Kniewasser, I believe, who is the chairman of the Investment Dealers Association of Canada, was quoted in the paper today as saying, "It may seem unusual for someone from the investment community to be so optimistic about a Budget from a social democratic administration. But the IDA is not in politics - we're in the business of commenting, as dispassionately and as professionally as possible, on economic strategy and investment outlook."

He said, as well, Mr. Speaker, that Manitoba's investment prospects are "very encouraging for the next several years." But then he said, and this is what we have been saying and we said in 1981, "There is a lot of catch-up involved since the province had a lower rate of real investment for some time."

That was what was happening. We had some real problems here. Now, with our administration, things are improving and we are delighted.

Education funding

MR. SPEAKER: The Honourable Member for Morris.

MR. C. MANNESS: Thank you, Mr. Speaker. I address my question to the Minister of Education. I am wondering if she could indicate what support per student will be extended to independent schools in the coming year.

MR. SPEAKER: The Honourable Minister of Education.

HON. M. HEMPHILL: Mr. Speaker, all grants that are going to all educational groups or institutions will be announced in my Estimates.

MR. C. MANNESS: Mr. Speaker, I'm wondering whether or not the government is giving consideration to a funding formula, long sought after by the Manitoba Federation of Independent Schools, whereby the independent schools in this province will be funded to the tune of 80 percent of public school funding.

HON. M. HEMPHILL: Mr. Speaker, the government is considering all proposals and all requests for funding from all organizations and institutions.

MR. C. MANNESS: Mr. Speaker, the government and the Minister, I know, have been besieged with letters from parents and trustees explaining the plight of independent schools. Can she indicate how much extra it would cost the government if the 8,700 students now attending independent schools were enrolled in the public school system?

HON. M. HEMPHILL: Mr. Speaker, I think the member opposite is exploring a hypothetical question. It would depend on whether or not there was any increase given and what increase, what option, you followed. So it's hypothetical and I can't answer it.

Catholic Schools Trustees Association

MR. C. MANNESS: Another supplementary, Mr. Speaker. I would ask then, is the government taking seriously the statement by the Catholic Schools Trustees Association that unless justice prevails that their association will appeal to the courts for legal redress if their fundamental rights, as they explain them, are not upheld?

HON. M. HEMPHILL: Mr. Speaker, fortunately for us, we have a system that allows freedom of thought and expression and allows people to explore any avenues

or any openings that there are for them to achieve what are their goals, and I have no problem with that.

Alcoa Company, negotiations with

MR. SPEAKER: The Honourable Member for Inkster.

MR. D. SCOTT: Thank you, Mr. Speaker. I have another question for our Minister of Energy and Mines.

Mr. Speaker, as members opposite chuckled and chuckled yesterday, because I had opposed the Alcan proposal for an aluminum smelter in Manitoba, and my reasons for opposing that were because it was twofold, it was a bad economic deal for Manitoba, for Manitoba Hydro in particular, and for environmental reasons, my question to the Minister of Mines and Energy is, can he assure this House - and first, I am assured this time it's a good financial deal for the province, an economic deal for Manitoba - can he also assure me that the environmental concerns that I raised before and that I shall continue to raise is that we have the cleanest possible aluminum smelter in Manitoba so that our environment will not be degraded by any smelter proposals?

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

HON. W. PARASIUKE: Mr. Speaker, I know and I appreciate the Member for Inkster's concern with respect to the environment. I think that is a very fine concern for the long-term future of Manitoba.

It is the intention of Alcoa that if they do proceed with their smelter in Manitoba that they would proceed with the latest technology smelter. They are the leaders in aluminum production technology. Alcan, for example, buys their technology from Alcoa; so we have been informed that Alcoa has the latest, most sophisticated, most environmentally clean technology in the world and are hopeful that is the type of technology we would bring to Manitoba to ensure that we do have — (Interjection) — Excuse me, Mr. Speaker, I'm very surprised at the negative catcalling that I'm hearing from the Conservative opposition. I think we've had a legitimate question by the Member for Inkster and I think that they can't control their disappointment, Mr. Speaker, and they are preventing the people of Manitoba from hearing my answer, but I believe the people of Manitoba want to hear.

It is certainly our intention to proceed with the most environmentally clean type of development we can, that is possible. We will certainly do that in explorations — (Interjection) — Mr. Speaker, I wish the Member for Turtle Mountain would control his disappointment that we are having progress in Manitoba. They may be the doom and gloomers and the knockers; we are the doers, Mr. Speaker. We will continue with that feasibility study. We will ensure that if the decision is made to proceed that there will be a full environmental review process, a complete socio-economic process. We make that commitment to the people of Manitoba, Mr. Speaker. We fought for that in 1981; we are producing on those commitments today.

MR. D. SCOTT: The Opposition House Leader just declared that we were back where we were four years ago.

Can the Minister of Energy once again reiterate to him the clean and clear differences between this proposal we have negotiated successfully now and the Alcan proposal that the opposition had negotiated some

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

The purpose of question period is to seek information from the government, not to make debating points. If the honourable member has a question, would he kindly make it.

The Honourable Member for Inkster.

MR. D. SCOTT: Mr. Speaker, there seems to be a misunderstanding by members opposite of the nature of the recent deal.

Can the Minister of Mines reaffirm and clarify the position that Manitoba is taking an equity position in the aluminum company coming to Manitoba to build a facility and that the aluminum company is not taking an equity position in Manitoba's prime resource, that being electricity?

HON. W. PARASIUKE: Mr. Speaker, I'm surprised that the Member for Lakeside is now acknowledging that they only had a Letter of Understanding four years ago. If that was the case, why did the Conservative Government at the time spend hundreds of thousands of taxpayers' dollars telling people that the thing was going to proceed, Mr. Speaker? Why did they induce a whole bunch of people to go into the Balmoral area to buy up land on speculation if it was just a Letter of Understanding? That's what we said at that time, Mr. Speaker. Now they are saying the same thing. There is a clear difference between what took place, there is a clear difference, Mr. Speaker.

What we have today is a Letter of Understanding that preserves the integrity of Manitoba Hydro. That's some difference, Mr. Speaker. Secondly, we have the opportunity of sharing in the wealth that smelter development will bring to the Province of Manitoba if it proceeds.

Defamatory statements re insurance policy

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

MR. G. MERCIER: Thank you, Mr. Speaker, for allowing me to interrupt the self-serving questions and answers from members opposite.

Mr. Speaker, I want to seek some information from the Premier. Could the Premier inform this House whether the government has purchased a liability insurance policy to cover defamatory and slanderous statements of its Ministers?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, I think that's a question that the Attorney-General would have to respond to.

MR. SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: The Government of Manitoba has had for years and years a general liability policy that

covers a whole number of matters and that is one that's been included for some time. It isn't something that this government has done or changed.

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

MR. G. MERCIER: Mr. Speaker, in view of the settlement of a defamation action commenced against the government for statements made by the Attorney-General and in view of actions, or indications of actions, for defamatory statements by the Premier and the Minister of Health, can the Attorney-General then indicate whether any changes or additional coverage has been purchased by the government with respect to liability insurance coverage in view of these actions?

HON. R. PENNER: Mr. Speaker, the indications I've had is that, since I've become A-G, they've decided to lower the premiums, but I'll have to check into that.

They're a little bit concerned about the Minister of Health and we're doing our best to maintain the premium as it is.

MR. G. MERCIER: Mr. Speaker, in view of the fact that there were never any attempts or any similar actions against any member of the previous government for defamatory and libellous and slanderous action, and there are now at least three instances of those, would the Attorney-General then indicate whether there has been any increased premiums to the Government of Manitoba as a result of these actions and potential liability or whether any additional coverage has been purchased by the government and what the cost is?

HON. R. PENNER: No.

Health Sciences Centre

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. SHERMAN: Mr. Speaker, my question is to the Honourable Minister of Health. I would ask him whether he is meeting today with the Board of the Health Sciences Centre with respect to the Touche Ross Report on administrative conditions at that hospital?

MR. SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Speaker, no, I'm not, but I'd like to inform the House that I've had a very good meeting where there was a candid exchange with the members of the board, not the board as such. That meeting was held at 9:00 o'clock this morning.

MR. L. SHERMAN: Can the Minister advise the House of two things? First, Sir, what essentially the substance of that meeting was that enables him to report he had a very good meeting; and No. 2, can he advise the House - as he apparently advised the Winnipeg Free Press - whether he is thinking about breaking down the Health Sciences Centre into four component hospitals?

HON. L. DESJARDINS: I'm awfully glad that the member asked this question. It will give me an occasion to comment on that. First of all, the meeting that we had today was about the general problems and so on that they've had at the hospital. I don't think it would be up to me, certainly not at this time, to make any announcement. They, in turn - the officers - are meeting with the full board this afternoon, and I suspect that they will in the not too distant future have an announcement to make.

Now, re the story in the Winnipeg Free Press, which annoys me quite a bit, the member will remember that he asked me the question on that same day and I stated that I hadn't seen the report. He asked me if I knew if it had any recommendation about the job of the president that was too large and I said that's what I had heard, although I hadn't seen the report.

Then he asked me if I had any intention, because of that, to break up the present board into four different boards and my words were something to the effect that I thought that was an odd question in view of the fact that I had just stated I had not seen the report and it would be premature; and I suspected that he would have wanted it, I would have thought, on paper and I accepted that.

I was called that same night by a reporter of the Free Press who said that apparently you had an interview with one of our reporters and you stated that the report talked about dividing the board into four parts, four boards. I said, correction, I never met with any, I never had an interview, this was a series of questions or two questions that I was asked in the House and I again repeated the same thing.

The reporter insisted, is that something you consider? I said, "I just finished telling you that I haven't seen the report." That went on for a while and he said, "Is that something you will look at?" I said, "Sure, this is something - there are a lot of things we look at, but there's certainly no commitment." I think it is not so much the reporting but whoever writes these headlines that's misleading. I think the press has a responsibility. They can write what they want in their editorials but their reporting should be factual, not a story that they have in mind and try to put it in your words, because this certainly was misleading.

MR. L. SHERMAN: Mr. Speaker, can the Minister advise the House whether, in his meetings with the Health Sciences Centre administrative personnel this morning, the subject area included discussion of decentralization and a redistribution of the powers of the president?

HON. L. DESJARDINS: No, Mr. Speaker. As I said, I haven't seen the report. The report, I think, should be presented to the board. This will be done this afternoon and then we'll get a copy of the report by courier; so we did not discuss the report in general. I think that the board admitted that some improvements have to be made. They made certain suggestions to me that they will discuss with the board and it is my understanding that then they will announce it to the public through the media, and I think they should make that announcement at this time.

Proudfoot report

MR. SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Mr. Speaker, Mr. MacDonald, the former Liberal Cabinet Minister, has made Canadians aware of what consulting services cost taxpayers. It's something like \$800 a day.

Yesterday at the Committee of Public Utilities, the information was given to us that we are paying \$700 a day to have matters looked into at Autopac. Does the First Minister approve of that rate of pay and is that a rate of pay that is being paid to other consultants within government departments?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, I don't know the particular instance the honourable member is referring to. I will check out his reference and I think I will also check out the consulting rates that the previous government were paying during the term of office that they were in government so that we have full and complete information all at the same time for the benefit of all members.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please. The Honourable Member for Lakeside.

MR. H. ENNS: Mr. Speaker, what I particularly want, and I'll try to be helpful, to dig up the Hansards, exactly what the First Minister and what other members opposite said about rates of pay that were being paid for consulting services, but to be of further assistance to the First Minister, it is the Proudfoot Report that I'm referring to. That's an ongoing report that is looking into efficiency matters in the MPIC organization and the rate of pay is \$700 a day per person and there are any number of people, sometimes four people, sometimes six people. The report is ongoing; it can be going on for a year, two years, I don't know. That's pretty fancy money.

We've been a little tough on the federal Liberal Government, but this government . . .

MR. SPEAKER: Order please, order please. The Honourable Member for Lakeside will, I'm sure, be aware that any preamble that he is permitted for a question should be brief and ought to be contained within one sentence.

I've been listening with some patience for the question. All I have heard is a statement. If he has a question, would he pose it, please?

MR. H. ENNS: Mr. Speaker, I do apologize. I meant to indicate to the Honourable First Minister that I would appreciate him taking this question as notice and I simply wanted to offer that further information that it was the Proudfoot Report.

Mr. Speaker, to quote somebody else this morning, I was provoked and I do apologize.

HON. H. PAWLEY: Mr. Speaker, I am glad that the honourable member has apologized because I was

going to point out the flagrant abuse of the rules that was taking place. You had pointed it out very properly, earlier to the Honourable Member for Inkster, and if indeed there was a breach of the rules there, this was a flagrant, flagrant, flagrant breach of the rules. I congratulate the honourable member for apologizing.

Flyer Industries Limited

MR. SPEAKER: The Honourable Minister of Culture.

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

A couple of days ago I took as notice a question from the Member for La Verendrye . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please.

HON. E. KOSTYRA: . . . with respect to the consultants at Flyer Industries. I am pleased to inform the member that the consultants that have been selected to date are Touche Ross; Marnoch (phonetic) & Associates; Currie Coopers & Lybrand; and Effective Behavior Management Ltd.

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

ORDERS OF THE DAY

BUDGET DEBATE

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance and the amendment thereto proposed by the Honourable Leader of the Opposition, the Honourable Member for La Verendrye.

MR. R. BANMAN: Thank you, Mr. Speaker.

It's my pleasure this morning to put a few comments on the record with regard to the Budget Speech. I didn't get an opportunity to speak to the Throne Speech so, Mr. Speaker, while I'm going to try and stick to the Budget Speech I probably will mention a few other things dealing with some of the statements within the Throne Speech. However, my main thrust will be on the Budget.

Mr. Speaker, one of the things that struck me, the Budget night, was the change in the colour of flowers that members opposite were wearing. Maybe that has sort of tipped us off as to what's really happening with this government. If you notice, Mr. Speaker, they changed from the traditional red flower to a yellow one. Mr. Speaker, the yellow probably best describes this Budget. Mr. Speaker, it does another thing, it points out the failure of this government in the last number of years to deal with some of the major issues such as deficits and taxation in this province.

The government seems to admit in this document, in this Budget document, that they were wrong. We had two years of fairly large expenditures. We had increases in spending of 17, 18 percent in Estimates. It was the members opposite that through the last four years of the last government and then into the first couple of their regime went after the now opposition,

saying that what was happening is that layoffs were happening, that cut backs were happening in different departments and that was wrong, we should be spending. We should hiring people. We were blamed because of the layoffs in the government's sector for some of the unemployment problems that this province was facing. We were blamed, Mr. Speaker, for being too tight-fisted with regard to taxpayers' money. What have we seen happen here now? They tried two years of spending. They were going to spend their way out of the problem, and now suddenly, as I indicated earlier, they changed not only the colour of their flower, but they have now changed their attitude in dealing with the Budget and the finances of this province. Suddenly they are going to be responsible. Two years of irresponsibility, suddenly they want to project, now we're going to be responsible.

Mr. Speaker, all we have to do is go back and read some of the speeches made by members opposite with regard to layoffs, with regard to what a 3.9 percent increase in public spending would mean in reduction to everybody. What has happened, Mr. Speaker, is they failed miserably in the first two years and now they're going to try a new approach and try to be fiscally responsible and try to show the people that really they're in a position now where they can really adapt to what the public really wants.

That of course was highlighted yesterday again, too, by the poll that we've had come out. Mr. Speaker, I want to deal with that for just a minute, because I think that what has happened to this government is something that they will never be able to recoup from. I say that because I believe that the people out there have found out and learned a valuable lesson about members opposite.

It all started about a year ago when they introduced the resolution in this House which was going to change the Constitution of Manitoba. You know, something interesting happened throughout that debate. Towards the end of that debate, it wasn't even the issue itself that was causing the biggest concern to the average person out there. What was happening is two other things were happening. One of them was that people were saying to me, "Why aren't they listening? The majority of people don't want this and they're not listening?" As I mentioned a few minutes ago, the difficulty you have in a situation like that is you suddenly have a group of people who are acting as dictators and not representing the true concerns of their constituents. The frustration that was out there among the rank and file electorate was one not only with the issue but with a government that would not listen to 85 percent of the people. I would time and time again have phone calls from constituents saying, "How can they do this when they have the majority of people against it? We elected them to represent our concerns and they're going against our wishes." So, Mr. Speaker, that's the first point. They have lost the confidence of the people of Manitoba because they would not listen.

The second point, Mr. Speaker, which I believe is just as important, is that the people realize that they, the NDP, did not know what the people wanted. There was a lack of understanding of what the people wanted. How could they move ahead on a proposal that the vast majority of people were against? They misread the public sentiment so badly that people are saying

to us from all over Manitoba, "If they couldn't read us on that issue, my goodness, what are they going to do with so many other things that are happening? What are they going to do with labor legislation? What are they going to do with our tax dollars? They didn't understand us then, how in the world can we trust them to understand us on any other issues?"

Mr. Speaker, those two things have destroyed this government and will lead ultimately to its defeat in the next election, because you cannot recoup the confidence of the people of Manitoba. No. 1, you didn't listen to them; and number two, Mr. Speaker, what is the most damning, you don't understand them. The people of Manitoba realize that, and that poll that was released the other day is very very dramatic in pointing that out. My goodness, the members from the northern constituencies must be really looking at that poll. That really, I guess, shocked the Conservative Party too.

We're ahead in Northern Manitoba, Mr. Speaker, way ahead 12 percentage points. That's a pretty dramatic change.

Mr. Speaker, in North Winnipeg where everybody knows that is not a Conservative stronghold, we're ahead there too. Why, Mr. Speaker? Because the people realize that they cannot trust this government anymore. It betrayed them on two counts, it showed a lack of understanding of the people of Manitoba and they will not put their trust into this government again. Therefore, I say they have an uphill battle in dealing with any of the major projects they've announced and everything because the people are suspect. They do not trust them, they do not believe them.

Mr. Speaker, we have a case before us in this Budget which shows a total turnaround, it shows a new side of the New Democrats that many people didn't realize was there. This Budget will do them more damage than they ever thought. The member in charge of the Treasury Board used to get up in this House and condemn a 27,000 unemployment rate in this Province of Manitoba. Mr. Speaker, he'd bemoan that. What have we got now? Some 20,000 more than that unemployed, 47,000 - 20,000 more. Mr. Speaker, what does he do? He is the champion now of layoffs. They're announcing layoffs, Mr. Speaker. Remember how they used to scream about layoffs. They are now - talk about a two-faced stand on this issue - announcing layoffs.

You know, the member in charge of Treasury Board who was one of the most vocal ones on unemployment on layoffs and government spending and cutbacks is now the czar of the cutbacks and layoffs. When asked why the layoffs, he said it was the departments that did it, I just gave them the guidelines.

Mr. Speaker, that reminds me of the person who takes the product back - has bought it at a retail store - because it's not working properly and the clerk says what am I supposed to do with it, I sold it to you, but I only work here; don't ask me I just work here, I can't do anything for you. Mr. Speaker, that individual should do some long hard soul-searching. From the statements that he made as a member of the opposition about unemployment rates, about government layoffs, about cutbacks, and now he sits in charge of that particular body in his government that is implementing exactly those things.

Mr. Speaker, to show, here we have a Minister whose own department now, Co-operative Development, is

seeing what? A cut in expenditures this year, a cut. A member who was ranting and raving as a member of the opposition, what terrible dastardly things those Conservatives were doing, and now a short two years later he is the czar of that particular group that's doing that. Mr. Speaker, I have to tell you that I probably sleep a lot better than that member does. If he doesn't worry about that at night, Mr. Speaker, that just shows the lack of concern and the lack of compassion that member has, because it's a total turnaround, 180-degree turnaround from where he was before.

Mr. Speaker, one of the major components of this government's thrust in trying to win back the support of the people of Manitoba is what they call the Jobs Fund. Now, tabled on Budget night was a fancy document with the Premier's message and the Minister's message - some wonderful things - and what it really did is it's a PR piece which is promoting the Jobs Fund. Well, that's fine. They said they're spending something like \$1.3 million on promotion of the Jobs Fund to tell people what fantastic people they are, so they're going to spend more taxpayers' money on that. Let's see what's really happened.

We have maintained all along that the majority of money going into the Jobs Fund was coming out of departmental spending and that all they were doing was engaging themselves in the shell game of taking it from one pocket and putting into another, packaging it on a PR basis and then going ahead and telling the people what a beautiful bunch of people they were with this big Jobs Fund. Mr. Speaker, I submit to you today that what they are doing is they are taking money from one pocket and putting it into another and doing it precisely what we have been claiming all along.

Let's just take one little example - here again is the Member for Churchill, the Minister in charge of cutbacks and layoffs - he has now taken in this document, Manitoba Jobs Fund, we have a section which deals with Co-operative Development. It says how they are going to now use the Jobs Fund to what? To promote co-operative development. What has happened in the Estimates tabled in this Legislature? Mr. Speaker, Co-operative and Credit Union Development in 1984 was \$1.319 million; in 1985, \$1.262 million. Mr. Speaker, a cutback of some \$50,000, a cutback. It doesn't even keep in touch with the GIS or anything. So what's happening? It suddenly shows in, what? The Jobs Fund. So what they've done is they've cut back on Co-operative and Credit Union Development in the Estimates and now are talking about it in the Jobs Fund. Mr. Speaker, that is the most blatant misuse of government funds and government trickery that I've ever seen. It points out again to what length these members will go to try and hoodwink the public, but the public isn't buying it and the polls are telling us that, because this government can neither be trusted nor will people ever allow these so-called one-termers over there to ever gain access to the reins of government again.

Mr. Speaker, the other thing that we see, and I guess having had some experience in Cabinet for four years with a number of my colleagues here, we see something happening to this government that I will admit happened to us at about our second, third-year period. We would have our supporters coming to us and say listen, hey, the polls aren't looking that good and you know what

you should do? Your message isn't getting out, so what you should do is embark on an advertising program, because your message isn't getting out. You tell the people, because the people really aren't understanding you, and so the kneejerk reaction from all the lay people in the street is go out and advertise.

Well, we have seen this government take that particular course of action, because that is a signal to me that they are in trouble, because I've been through it. They are in trouble with the electorate and what their PR people are telling them, what their union colleagues are telling them, your message isn't getting out, people don't know what good guys you are, so you've got to get out and use taxpayers' money to go ahead and prop up your image, and i.e., enter the Jobs Fund, enter the most blatant political use of government funds for political purposes that I've seen. We're starting to advertise the Budget in the papers and we're sending what we have seen the other day, a letter, to employers.

Mr. Speaker, I'm not going to deal with certain segments of that letter, but I want to talk about that letter for a minute. Mr. Speaker, aside from the issue which you have taken under consideration, I believe that letter will do the NDP more damage than what they ever considered.

From what I understand is they've made a special deal with the post office. The letters, of course, were printed before this Budget speech was tabled, and I would like the Minister to tell me when those letters were delivered. I bet you they were delivered some time Tuesday afternoon.

Mr. Speaker, before the Budget was delivered in this House, they had made a special deal with the Post Office to get them into the Post Office, and who got the letters? Mr. Speaker, who drafted the letters? Mr. Speaker, the letters were out before. You know, we are talking about Budget secrecy.

So what you see here, Mr. Speaker, is a government that is floundering, that is in disarray, that has fallen out of favour with the Manitoba public to the extent that they have been the lowest they have been in the last 20 years in the polls. — (Interjection) — That's right. The Member for Fort Garry says that they are so smart they are outsmarting themselves with their own tricks.

Let me get back to the letters sent out. Because what has happened to the Minister of Finance, he thought he was cute when he brought this in two years ago, this payroll tax, and suddenly he finds out that, hey, it is sort of serving as a disincentive to hiring people and then, of course, he had the big problem this last while, some bureaucrats got a little overzealous and then they started tagging on late filing fees. I remember I had a bunch of constituents who had to send in \$20 and were charged something like \$20 late filing fees. So he found out that this is becoming an irritant and this is causing us a lot of trouble out there. People don't like this.

So what does he do? He is smart; he reduces the - or he makes an exemption up to \$50,000 for small businesses. In other words, anybody that has payrolls less than \$50,000 won't have to pay the payroll tax. What he failed to understand, and the point my colleague from Turtle Mountain raised today, is that this exemption highlights dramatically the problems with this tax.

Where do you people go to get your information? I was in the coffee shop yesterday morning. One of the guys said, well, I am going to have to lay off one of my full-time people. I am at the \$52,000 mark, I don't want to pay this tax, so I am going to get rid of one employee and hire a part-time person, and I will be at \$48,000 and I won't have to pay it. That is what's really happening out there.

Where are you people? This tax is serving to lay off people in this province and will do that. That is why the Member for Turtle Mountain asked for a \$50,000 blanket exemption. The Minister says, "Oh no, we couldn't do that. It's going to cost too much." — (Interjection) —

Mr. Speaker, the Member for Thompson displays his total ignorance about hiring and paying wages because he has never had to hire anybody. He has never had to hire anybody; he has always been on the dole somewhere.

Mr. Speaker, when you hire people, it costs. What is happening here is that this policy is serving as a disincentive for creating jobs, and I want to tell the members opposite I think, from a political standpoint, you did us one of the biggest favours going again by introducing this.

Can you imagine the employer now who has got a payroll of \$85,000 and says, "How come I am being penalized as a small business person? I am hiring three more people and I have to pay the tax. If I hired only two people, I wouldn't have to pay the tax. So if I hire one more, I am going to have to pay it."

Mr. Speaker, they are giving us initiatives in the Jobs Fund to try and create jobs and, on the other hand, they are taking them away. Mr. Speaker, what you have happening here is that on the one hand they are saying they are for small business. You have the Premier getting up and saying they are going to help small business; you have the Minister of Finance saying all these wonderful things about helping small business. In the meantime, Chicago-Mafia style, you have got about three or four other Cabinet Ministers running around with big baseball bats cracking the knees of the employers so they will just crawl a little bit; they won't be able to stand upright and really do the job they are supposed to. But you are saying to anybody that hires, if you are \$35,000-\$40,000 payroll and you hire another person, you are going to be penalized. That is what's going to happen.

Don't hire people. Because the minute you are going to hire one person more, what is going to happen? You are going to have to pay more tax. It's ludicrous, absolutely ludicrous. That's why the Member for Turtle Mountain's suggestion here, and the Minister should go into his office and talk to some people about this and pass through that exemption to everybody so that it wouldn't be a disincentive.

First \$50,000, if he wants to make an exemption, do it. Do it. He is talking about a substantial amount of money. He just told us - what was it? Something like two-thirds of the people by this move have been taken off of that. So we are not talking massive amounts of money; we are not talking about a huge sum of money.

Mr. Speaker, anything to help create jobs in Manitoba is something that members on the opposite side are concerned about, but this move in this Budget will come back to haunt the Minister of Finance because it is a disincentive to people for hiring additional staff.

I would just reiterate again. You have got somebody that is running a business, he is paying \$45,000 payroll, he has got maybe two persons and a part-time person, he is getting busy, he wants to hire another person, it puts him at the \$65,000 or \$70,000 mark. Right away, you have got a new tax clicking in and he has to pay. It is a disincentive. However you look at it, it's a disincentive to hire people.

Mr. Speaker, we had a few interesting things happen during the Budget debate. First of all, the Finance Minister went ahead and gave us a lesson in current and capital expenditures, and he was heading - I was sitting here wondering if he wasn't going to go back to the old system and try to divide it up to make himself look a little better - but he was explaining to people about buying houses and all kinds of other things where those are capital expenditures and they shouldn't really be included on the other side, and that really the deficit wasn't that bad. The only thing he didn't mention, that if you are going to start using those terminologies, when we were government, the majority of years I think we would have run a surplus. All but one year we would have run a surplus if we wanted to do that type of thing. If it had been strictly from a political point of view, when we were government, I guess you might say we shouldn't have brought it in, but it was the responsible thing to do because all other jurisdictions were showing the current and capital combined.

Mr. Speaker, that is the way the financial institutions, I understand, like to look at it because, let's face it, we spend money on a road which we say is a capital project. When it comes to sell that asset, is it worth anything? Who is going to buy it? That's why the financial institutions say to you once the money is spent, it's spent. It is not like someone buying a home and then selling it two or three years later and being able to retrieve their money. It's not. You can't sell the Greater Winnipeg Floodway. It is of great benefit to the people of Manitoba but as an asset to go out and sell it to somebody, to go ahead and do that, Mr. Speaker, I say to members opposite that they tried in a very nice way and it took about half an hour to go through this whole explanation to tell people that a \$500 million deficit really wasn't that bad. Maybe it was only 280 because the rest was all capital and we were spending it on paper clips and other things.

Mr. Speaker, that is again the type of little trickery that they use to try and not tell the whole truth on many of these matters, and as I said he spent about half an hour on that. He could have cut that out of his Budget because people understand what's happening here, they understand. They understand this is the second largest projected Budget in the history of this province, they understand that. They understand that despite the 3.9 percent increase, despite the layoffs by the Czar from the Treasury Board, we're still going to face close to half-a-billion-dollar deficit, they understand that. This government now is faced with the problem of going ahead after having criticized the previous administration for doing precisely that, to sell this bill of goods.

First, they sold big spending, that was the way to go. Now suddenly, they've made a 180-degree turn and they're going to try and sell restraint, restraint, Mr. Speaker, by the Czar from the Treasury Board who was the one that was yelling and screaming about any layoffs

and any reductions in staff and about cutbacks. That is the person now in charge of cutbacks, the Czar of restraint, is now the person that was the most vehemently opposed to it when he was in opposition. Mr. Speaker, talk about a - I won't say it.

Mr. Speaker, the other thing that they do, a socialist when cornered traditionally in the last 11 years - as long as I've been in politics - drags in the health care scare. I mean, when all else fails at a public meeting, however, the minute they get cornered, they say what about health care? We heard about North Dakota's health-care system and Alberta's health-care system.

Mr. Speaker, we spent four years in government. When we came out of that, many members on the opposition were criticizing us and talking about bed sheets and two strips of bacon and the — (Interjection) — Mr. Speaker, the horror stories we had. While later, when this government takes over the Minister of Health gets up and says he's trying to maintain the system. Mr. Speaker, we see chinks in that maintaining, we see cracks in that maintaining structure, in that holding pattern.

Mr. Speaker, they go ahead and they say that they're spending 31 or 32 percent of the Budget on health care. What do you think it was when we were government, what do you think it was? I think we went as high one year as up to 33 percent of our spending was health care, so let not that be an issue in this. — (Interjection) — Mr. Speaker, we indicated by actions - the record is very clear - there were no premiums introduced in four years of Conservative Government, but when cornered a socialist will every time draw up the health care red herring, even if the big lie, the big scare, even if we're dragging North Dakota into this.

So, Mr. Speaker, first of all we got — (Interjection) — Mr. Speaker, the Minister in charge of - the only thing I can remember is Cultural Affairs - called the Jobs Fund. Talk about lies, Mr. Speaker, I think he should go home and read this thing for a little bit and do a little soul-searching with regard to what his involvement is in trying to trick the people of Manitoba into believing that they're doing things for them with a lot of new extra money when they're really taking it from existing expenditures, because that's what's happening and I just went through it. You're cutting back in the Department of Co-operative Development and moving it right into here and here it is right there. Mr. Speaker, that is the type of arrogance, and the type of total misleading of the public that's happening right now, and the people aren't buying it, and the polls are showing it.

Mr. Speaker, the other thing they tried to do is they went ahead and broke down the Highways budget and equated it to farmers. Mr. Speaker, they said that they were spending \$1,000 per - what was it - person on the farm on highways? Mr. Speaker, highways in Manitoba are for Northerners, they are for people that live in the city, they are for everybody. For them to say that they are really building roads only for farmers is a gross distortion of what's really happening. Mr. Speaker, it sets one group against another and, of course, they can do that very nicely.

Mr. Speaker, their national leader, and they, when cornered, pull up the other issue, of course, the class warfare one and they love that one, they love it. I remember one my friends got one of these fund-raising

letters from the national New Democrats saying you know the Federal Liberal Government is providing tax incentives only for the rich and they're pitting the rich against the poor and it's a terrible thing and what should happen now is that there should be a change in government because it's time that the rich and the people that have should give to the have-nots. That's the old NDP line. You know how that letter ended off? They said, remember that if you donate \$100 or less, you can get 75 percent back on your tax form, Mr. Speaker. On the one hand they're criticizing and on the other hand they're taking, but when cornered they'll drag in the health-care issue and they'll drag in the class warfare thing. That is their mainstay.

What is happening in Canada today, and the polls are evidence, Manitoba isn't an island unto itself with regard to the whole thing that's happening across the country, that the NDP's policies as pointed out by one of their previous advisors are outdated, outmoded, and the people of Canada are realizing that's what's happening, and that's why you're going to get hammered at the polls next time around, and that's why they're not going to be back in government because they will not regain that public support that they have lost because they are in a position where, Mr. Speaker, the people have finally found them out.

Mr. Speaker, I mentioned something about the deficit before. I believe that what we see happening here is the government going ahead and trying to tell the people that deficits really aren't anything to worry about, but you know that isn't the truth. What is happening out there in the real world right now is that a lot of people, the average person on the street is concerned about the deficit and there is more and more growing concern about it. They are beginning to realize that the ferocious appetites of government and borrowing is putting such pressure on money markets that it is causing interest rates to climb. That affects everybody in this House and it affects everybody in Manitoba.

What has happened is the uncertainty of the interest rates climbing has caused the biggest problem of the recovery in Canada, and I would dare say in the United States. People do not want to allow themselves to be trapped into the position of making a purchase, either a house or extending to their business, or buying a new piece of equipment, and then be faced with a possibility of 17-18 percent interest rates. That has happened to them and one of the biggest reasons for the recovery not taking place as quickly as it was is that there is no money available for a five-year term, a fixed rate to the small businessman and to the small consumer. It just isn't available. You can go into the Royal Bank today, you can go into many of the major lending institutions and try and borrow money at a fixed rate for a five-year term. Mr. Speaker, commercially the banks won't even lend it to you. I know of what I speak; I have tried it. I have tried to borrow money on a long-term fixed rate - five years. We used to call 25 years long term; we are talking five years long term now. But the Royal Bank, the last place I was, and several of the other chartered banks do not have a policy on commercial loans, commercial mortgages, to give you a fixed term.

Mr. Speaker, how do you expect business people or anybody in this so-called recovery process to go ahead and make many of these developments that people

want to? Mr. Speaker, there were many people that were caught under the high interest rates and they do not want to see that happen to them again.

I believe, if I can give a word of advice to the government and a word of advice to the next government of Canada which I know will be a Conservative Government, I would say that something has to be implemented to assure people who are making some expenditures that there is some assurance that those 20-25 percent rates won't hit them and take their business away from them because that has caused the most problems for everybody in business.

We have seen the majority of bankruptcies and everything, and the old saying about "once bitten, twice shy" I think has now become sort of a phrase that not only the small business people and the larger corporations use, it has become the rule of thumb in the average home. The homeowner who goes out and buys a house and can afford a payment of \$600 or \$700 a month on principal and interest, and then suddenly finds that his mortgage isn't fixed and he is up at \$1,000 a month and then is forced to sell the home, that investor confidence is not there and I attribute that to the uneasiness and the lack of funds being made available on a fixed term.

Do you know what it is going to cost you over the next five years? You will be able to deal with it, you set up your budgeting for that, fine. Then if the interest rate is 12 or 13 percent, you can then make a rational decision, but you cannot allow yourself to get caught in a position of 17 and 18 percent interest rates. So I say to the government that is one area which has caused the average person a lot of difficulties in dealing with increased capital expenditures, and I think it is hampering the so-called recovery that we are talking about.

Mr. Speaker, you indicated that I only have a few minutes left. I am sorry about that. I look forward to debating many of the issues in this House. The government has now once again revived two of the areas that we were working with when we were government some four years ago.

One, of course, is the announcement on the Alcoa plant; the other one, of course, is the sale of power to another jurisdiction. Mr. Speaker, we look forward to the details of that, and I would just ask the government, read some of your speeches when you were in opposition and please provide us with the details on them, provide the people of Manitoba with details on the negotiations. You wanted them when you were in opposition. Mr. Speaker, maybe you should practice what you were preaching for so many times in opposition.

I say to the members opposite, I asked the Minister of Labour for a report here now. I understand the reason she is not giving it is probably because it's too radical and she doesn't want to get into any more trouble with the business community because they are trying to woo them right now, but I would say that reports like that where you are asking for public information and you want the public to assess what is happening, surely they should be made available, especially by an NDP Government who, when in opposition, wanted everything released and were putting forward freedom of information bills and that type of thing.

Mr. Speaker, the only good thing, I guess, about the Budget is that it dealt with a lot of rhetoric and verbiage

which the people of Manitoba have learned to accept as nonsense over the last number of years, and it didn't inflict any new wounds on the people of Manitoba to the extent of new taxation and other measures. It did still contain a deficit, which is going to cause a lot of concern to many of the people of Manitoba, but it did one thing and that is, with the \$50,000 exemption on the payroll tax, it showed that this government is ready to tax people when they employ people.

We have been saying that that is the net effect of this tax from the day it was introduced, and what has happened here is we have seen that highlighted dramatically in the move by the Minister of Finance. I thank him for sending out the letter because it has really caused a storm out there. People are even more concerned about it after they got the letter, and I say to the government: The polls speak for themselves, get ready, make sure that your desks are nice and clean, and move over because you have got a short term left.

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

MR. P. EYLER: Thank you, Mr. Speaker. I welcome this opportunity to speak on the Budget Debate today because it has given me a chance to talk about some of the concerns I have had for several years now regarding the future of economic development in this province.

I am sure you will remember that during the Throne Speech I mentioned that what I thought was one of the major challenges facing political parties today was to get away from the capitalism versus socialism conflicts and to focus more on the challenge of confrontation versus co-operation. Of course, I believe that co-operation is a much better way to go than confrontation. I think that we are getting that message out, Mr. Speaker.

I would like to refer once again to the comments of the Investment Dealers Association of Canada president, Andrew Kniewasser, quoted today in the Free Press when he says, "Schroeder said that in the depths of the recession, the public sector had to take a larger role, but that he sees an increasing role for the private sector now that the economic recovery is fairly satisfactory. It has been some time since I've heard that said so clearly."

So I think that it is obvious that even the investment dealers, the old fogies of the socialist party, have come to see that there are values in co-operation with government, whether it be a supposedly socialist government such as the NDP or a capitalist government such as the Conservative Party.

I think it's also interesting to note that Kniewasser also says that mid and longer-term prospects have never been more promising with opportunities for productive application of capital abounding in all parts of Canada.

Of course, one of those major productive uses of capital which we foresee in Manitoba is the hopefully upcoming establishment of an aluminum smelter in Manitoba. I have always felt that it is inevitable that Manitoba would become a centre for aluminum production, and I think that is probably a different

approach from the opposition. They feel that it has to be attracted. I think it will come regardless of what anyone does here, and I think that the purpose of government is not so much to attract them as to manage the method in which they locate here.

For instance, they have to come here. We have the cheapest hydro in North America. In Japan, they are in the middle of a five-year program to phase out aluminum production altogether. That is because the cost of electricity there is based on imported oil and coal and the prices are rising out of sight and they are just simply non-competitive in world markets.

The United States certainly doesn't have a competitive situation in the production of aluminum. There was an article in the *Globe and Mail* back in February of this year that referred to the Alumax smelter which was not going forward in Oregon. It says, "The plant at Umatillo, (phonetic) Oregon, would benefit from 320 megawatts of low-priced energy, the last unused commitment from the low-cost Columbia River hydro-electric power for private industry." Well, how much was that low cost hydro that was being set aside for aluminum production? They were charging 3-1/3 cents Canadian per kilowatt hour for that power. In Manitoba, we can buy - I can buy it at my home for less than that. So obviously the United States does not have a competitive situation in the provision of power, even with their supposedly cheap hydro-electric facilities which have been built there already. Manitoba can certainly attract aluminum production, simply based on the price of our hydro electricity.

This raises one of the basic philosophical differences, I think, between our party and the opposition, and that is, who benefits from hydro electricity? Is it the people of Manitoba, or is it the private companies which would be using it?

Now, of course we know that it was the official policy of the opposition in the previous government to segregate certain elements of the hydro-electric system and let private enterprise own them. We know that they offered a dam, or half a dam, to Alcan, if they would locate here. We know that they had a draft Order-in-Council offering - well, to quote from that draft Order-in-Council that was left behind - it was recommended that the Minister responsible for the hydro-electric board be "authorized to grant to Inco an option to acquire an equity interest in a future hydro-electrical generating station on the Burntwood River at any time within a period of five years from this date."

So there we have it. They were offering pieces of dams to Alcan, to Inco, we don't know who else they would have offered it to, because thankfully, the people of Manitoba voted in the last election against that kind of a policy. And frankly I would have thought that the Conservative Party would have learned from the past that people of Manitoba don't like that idea, which is the idea of segregating pieces of the hydro-electric system and giving it away to private enterprise. The Bracken Government tried that in the late '20s when they offered the Seven Sisters power site to the Winnipeg Electric Company, and it was overwhelmingly defeated by a referendum in Winnipeg, and I think the 1981 election was, to a large extent, the same rejection of the philosophical approach of the Conservative Party to segregating elements of the hydro system and setting it aside for private enterprise.

Now, of course, the question obviously has to be asked, why is that such a bad thing? Why is it bad to segregate elements of the hydro-electric system and give it to private enterprise? I think that's a fairly easily justified position of our party to oppose that. For instance, the people of Manitoba have already paid for all the diversion costs on the Nelson River, we've paid for the regulation structures at Jenpeg, and yet, if we give part of a dam on the Nelson River to a power company, there would not be any inclusion in that dam of the costs which the people of Manitoba have already paid for in making those dams feasible. That's one element.

The second element is the average cost of hydro electricity in this province. Now, what happens is that once you've segregated one dam, set it aside for the benefit of one company, that company will have those costs in perpetuity, which is what Alcan wanted, of course. In Quebec and in British Columbia, it's estimated, although Alcan won't make it public, that the cost of electricity to Alcan is between three-tenths of a cent and six-tenths of a cent per kilowatt hour. That's about a tenth of what the price of electricity is in those provinces to other users of hydro electricity.

What happened was that years ago they got a hold of a few power sites and got complete ownership of those sites, and as the cost of electricity escalated, they were locked in for the corporations, but the public had to pay the increasing costs of new dams. When larger and larger dams were built in more and more remote areas of Quebec, the costs were rising and the average cost of the publicly-owned hydro-electric system in Quebec rose accordingly, and Alcan of course did not have to pay any of those increased costs, whereas the people of Quebec did.

So what would happen in Manitoba would be that if we gave away a piece of a dam to Inco or to Alcan or to anyone else, if we allowed them to own a piece of a dam, that would lock in the costs for the corporation, but each dam that the people of Manitoba built through Manitoba Hydro later would be more expensive, simply due to inflation. It would be more expensive because there would be declining economies of scale as we move to smaller and smaller dams. It would be more expensive because each new dam would be increasingly remote. So the people of Manitoba would be paying higher and higher costs for building dams in the future and the average cost formula for the Province of Manitoba would mean that the prices of electricity for the consumers would be rising with the increasing costs of each new dam. However, for anyone who owned their own dam, there would not be those increases.

That means that in the future we would have the same situation that Quebec has today, where a company which owns its dam would be enjoying power costs that are one-tenth as much as what the public would have to pay.

So our philosophy is that hydro electricity is a public utility; the hydro-electric power of this province is a public utility; and that everybody who uses that power in this province should pay on an equal basis, which means average costing for all users and not just the people who are on the public system.

I'd like to review also one of the myths I think, which the Conservative Party has done its best to perpetuate,

and that is that this government has somehow, by insisting that the public utility of Manitoba Hydro be kept intact, driven away Alcan from this province. I don't think there is any better way to do that than to deal with the price of aluminum and to relate that directly to the announcements made by the previous government and by Alcan itself.

For example, we know that in 1979, the former provincial government, under Sterling Lyon, invited Alcan and other people as well, to come and take a look at the hydro-electric potential of Manitoba as an aluminum smelting site, which is certainly a worthwhile invitation to offer. At that time, the price was 66 cents per pound for aluminum. Now the next year, when Alcan got serious and announced it was going to do a study, the price of aluminum had risen to 75 cents. And 1980 was a very good year for aluminum. It hit a high of 93 cents a pound in that year. 1980 was when all the announcements were coming out predicting a glowing future for Manitoba as an aluminum-producing centre. And that was based on the price of aluminum. However, it didn't stay at 93 cents for the 1980's, or through 1981, by mid-1981 the price had dropped to 60 cents a pound. That's just before the election.

I think it's interesting what was happening then. Here's a Free Press article from September 24, 1981, that's before the election, two months before the election, the headlines are "Alcan smelter still depends on price level and demand." It's an interesting little article here, Mr. Speaker, it says, "The price and demand of aluminum is still the crucial factor determining when Alcan will build its much heralded Manitoba smelter, Jacques Bougie said yesterday." The crucial word was "when" the price of aluminum, and "when". He goes on to say, "The world market is not recovering from a lag as fast as the aluminum producers would like, but that does not affect Manitoba plans right now, said Bougie, Alcan's Director of Development for Manitoba. The world demand and price would have to be adequate next summer when Alcan says it will announce its final decision, or construction would be postponed, Bougie said." Okay. The next summer, the price of aluminum had not recovered, it had continued to go down, and the Province of Manitoba knew that the aluminum industry was in trouble on this point.

In June of 1981 there was another Free Press article, it says, headlines, "Markets May Delay Building of Smelter." Markets may delay the building of smelter. And it's from Jonquière, Quebec. "Construction of an aluminum smelter in Manitoba could be three or four years away, even if the Aluminum Company of Canada decides by next July to build it."

Further on, "Manitoba's Energy and Economic Development Ministers were both unavailable for comments yesterday. On Bougie's suggestion, the smelter construction could be held up a few years if market conditions are poor." Well, I guess they were unavailable, Mr. Speaker. Where were they? Where was the Minister of Energy, Mr. Speaker? Where was the Member for Turtle Mountain? I'm sure he will have plenty to say now. He's had plenty to say since 1981.

The Member for Sturgeon Creek will have plenty to say, most of it from his seat. I'm wondering, why were they unavailable? The Member for Turtle Mountain does his best to ignore that question right now. June 18, 1981, was the date. Where was the Minister?

Mr. Speaker, in 1981, already Alcan was talking about delaying the building of its smelter on the basis of world aluminum prices. They were still optimistic though. The September article says that it was expected that aluminum would reach a dollar a pound in the next two or three years. That was a little optimistic because, by June of 1982, the price had dropped to 50 cents and that's when Alcan announced that it was not going forward with its smelter in Manitoba.

There is a little Alcan Manitoba update which went around to everybody. I'm sure all members of the opposition got it as well, from June of 1982, a series of questions and answers regarding the aluminum smelter in Manitoba.

It says, "The economic downturn we are experiencing is lasting much longer than we thought. The world aluminum industry is faced with a number of uncertainties, including weak markets and lower prices. A company must be prudent during such times and it was obvious to us that this was no time to be making decisions on large capital investments."

That's Alcan speaking; that's not the Government of Manitoba, that's not the opposition. That's an Alcan spokesman.

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: I wonder if the honourable member would permit a question?

MR. P. EYLER: Mr. Speaker, if there is time left after the completion of my speech, I'd be happy to listen to the Member for Turtle Mountain.

Further on, Alcan says, "We recognize that with its hydro-electric potential, its human resources and location, the province can, at some future time, support an industry like ours. The fact that there is a new government in the province has nothing to do with our postponement."

I don't know what could be more explicit than that kind of a statement from Alcan, Mr. Speaker, and for the opposition to continually insist that somehow this government was discouraging the location of an aluminum smelter by Alcan in this province is certainly irresponsible.

The fact of the matter is, Mr. Speaker, that aluminum markets stayed low for quite a while and they bottomed out at 42 cents a pound in 1982; and that's when the shakeout in the industry really began. That's when Japan decided it was time to get out of aluminum production and that's when a lot of the productive capacity in the world was left idle. It's when there were massive layoffs. Alcan in Canada was only producing at 80 percent of its efficiency. Twelve hundred people were laid off in Alcan smelters and still the opposition was saying that it was not market conditions, it was the NDP which was discouraging the construction of an aluminum smelter in Manitoba.

That was simply irresponsible, Mr. Speaker. I think that yesterday's announcement, more than anything else, vindicates our position and shows very clearly, without any doubt, that the ownership of Hydro is not a prerequisite for any aluminum smelter setting up in this province. In fact, Alcan and the rest of the world

goes into joint ventures with governments, but not in Canada.

Our approach to this, of course, has always been that while Alcan will go out and say, okay Quebec, okay Manitoba, okay B.C., we're going to build a smelter, which one of you provinces is going to give us the best deal? We've always felt that approach was not the way to be dealing with any corporation. Our approach is to go to several corporations and say, okay, Alumax, Alcoa, Kayser, Reynolds, Alcan, whoever it is, which of you is going to give us the best deal in Manitoba? That's the responsible way.

I'd like to refer back to February 20 - long time ago now, I guess - February 20, 1984, when the new Leader of the Opposition, Mr. Filmon, says, "Without the NDP reversing its policy and selling the company a portion of a power plant, they will not be very successful." Mr. Speaker, events have shown that the Leader of the Opposition was as far wrong on Budget as he was on his aluminum smelters.

There's going to be one more criticism, I'm sure. I'm just waiting for it; I haven't heard it yet, but I know it's coming, and that is a joint venture between government and an aluminum producer. I'm just waiting for this government ownership to come in; I'm waiting for this argument of socialism to come back. I don't agree with that, Mr. Speaker. I don't call this socialism at all even. It's not totally government; it's not totally private enterprise. It's a partnership between government and industry, and I think it's important to point out that of all the Western World's aluminum productive capacity, 34 percent is government owned - 34 percent, so it's hardly striking out in new directions. It's a common practice throughout the world and I'm just waiting for the opposition to start criticizing us for taking a half interest in this particular plant. It'll be coming, but we'll just have to wait and see.

For instance, Alcan, who refused to come here because they thought that they could convince the Conservative Government to give them their . . . has gone into joint ventures with governments in Norway, Jamaica, Spain, Guinea, Nigeria and Brazil, everywhere else in the world, but not here, because they thought they had the bargaining power; but there's one thing that bringing in an outside producer like Alcoa does and that's introducing competition into Canada. I know there's been some comments from the opposition in saying, why are we dealing with an American and not a Canadian company? Well, one of the benefits is certainly to bring in competition.

I think that what I'd like to really get across is that this is not necessarily the panacea for all of our economic woes. I know that there's always been a preoccupation with mega projects as providing large quantities of jobs and being capable of solving all of our problems. The previous government liked to make that sort of association, but I still do not agree with that entirely. Mega projects are mega only in terms of capital, not in terms of employment.

I'd like to refer again to Alcan, when their regional vice-president, Gilles Chevalier is quoted as saying, for Quebec, that, "Alcan will never build another plant with more than a thousand employees. It's not our responsibility to create jobs."

That's true. Their job is to produce aluminum and it's to produce it as cheaply as they can and as profitably

as they can, and I have no quibble with that whatever. All I'm saying is that it is our responsibility as the Government of Manitoba to make sure that as many jobs as are possible are created and as much of the benefits of industrial activity go to this province as are possible. I think we've achieved that to a large deal. We've done a much better job in dealing with Alcoa, than we have in dealing with Alcan.

One more word of caution; this doesn't necessarily mean that there will be an aluminum smelter. The price of aluminum today is 81 cents a pound. It's still nowhere near the peak of 93 cents in 1980, but the markets have come back slowly, but that doesn't mean they're going to stay here. I think the fact that Alcoa has signed an agreement, on basically our terms, which means that Hydro remains owned by the people of Manitoba, I think that indicates, more than anything else, that it is not this government which dictates when aluminum smelters are built in Manitoba, but world market conditions for aluminum. I think that our announcement yesterday, more than anything else, shows that the opposition was misleading the people of Manitoba in insisting that it was our government which was somehow discouraging the production of aluminum, because of our philosophical hang-ups. The fact of the matter is, Mr. Speaker, that we have been able to make a very good deal with Alcoa. I look forward to it. I don't say that it is absolutely coming, because we don't know still how well the aluminum markets are going to recover throughout the world.

I think that I, myself, have been vindicated. I've held this position for years despite the adversity, despite the criticisms of the opposition, and in spite of the lack of understanding on the part of a lot of the people of Manitoba, but I'd like to refer back to November 3, 1980, when I wrote in a letter to the editor of the Free Press, that, "Aluminum production in Manitoba is inevitable, given rational planning. We do not have to beg. An aluminum smelter can be a great stimulus to Manitoba's economy if the Provincial Government takes a firm hand in guiding Alcan's study."

I said that in 1980. I stand by it today. I think I've been vindicated, and I think that we are doing a very good job now and I can stand here with confidence, I can stand here with pride and say that our government is doing more to help the people of Manitoba than any of the actions undertaken by the previous Government of Manitoba under Sterling Lyon.

Thank you, Mr. Speaker.

MR. B. RANSOM: Mr. Speaker, the honourable member said that he would permit a question if he still had time left. Did he still have time left?

Mr. Speaker, the honourable member is making the case that we were proposing to give away power and part of Hydro to Alcan. He subsequently then made the case that in September of 1981, Alcan was saying that their future would depend upon the price of aluminum. Does the member not see some sort of irrationality in those positions that had Alcan been offered such a sweetheart deal for power, why is it that the price of aluminum has figured so strongly in their decision as to whether or not to come to Manitoba?

MR. SPEAKER: The Honourable Member for River East.

MR. P. EYLER: Mr. Speaker, in response to that question, I know that the opposition has often said that they had the power rights that they could rent to Alcan and recoup some of the price of that, but I only refer to B.C. and Quebec to show how in practice it's never done. In fact, I do not subscribe to the practice of giving artificial incentives. Alcan could have built immediately if we had given away the farm. There's no question about it. They could have built it right away if we'd have given them a really good sweetheart deal, but we aren't going to do that.

As a matter of fact, the deals that we are giving to Alcan are good deals, to Alcoa, or to anyone for that matter, are generous yes, but they're universal. For instance, the 6 percent investment tax credit, that the Minister of Finance announced in his Budget, will apply just as much to any other free enterprising company that wants to establish in Manitoba as it does to Alcoa. That's certainly a big incentive, I would think, if you're talking about hundreds of millions, but it's not a sweetheart incentive.

If the Member for Turtle Mountain wishes to discuss the exact details of what he was willing to give away in order to get an immediate start-up for an aluminum smelter, well, all I can say is that I certainly don't agree to any special, generous treatment to one particular company.

MR. SPEAKER: Are you ready for the question?

The question before the House is the amendment proposed by the . . .

Is the member wishing to speak to the motion?

The Honourable Member for River Heights.

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

We spent quite a bit of time yesterday in question period talking about the payroll tax and the famous letter of the Minister of Finance that was sent out and I am one that, and others from our side of the House, have congratulated the government for partially correcting the payroll tax. As we've often said in the past we referred to it as an unemployment tax, and what he has done is he has, as he says in his letter, he has relieved many, many employers from the fact that they will have to pay tax on behalf of their employees in the way of a payroll tax.

What he has also done, and unless he has a graduated scale, he has attempted to place employers who have payrolls in the area of slightly more than \$50,000 per year into using other methods of bookkeeping in order to avoid this payment of tax by perhaps taking their own salary off the payroll, and paying themselves in the form of a dividend; therefore, getting their place of employment under the \$50,000 level.

It also can be fairly discouraging if a person is an employer and his total payroll is very close to the \$50,000, does that person have the incentive and is that person encouraged to go out and establish another position when business improves?

This is why I say that the Minister, I believe, should have a graduated scale from the \$50,000 upwards so that he doesn't put that disincentive in there for people who are at or near the \$50,000 payroll limit.

The Minister of Finance has the experience of having done this before when the Government of

Saskatchewan took off the gasoline tax and Manitoba towns bordering Saskatchewan were at such a great disadvantage at that time because of the number of Manitobans crossing into Saskatchewan to purchase their gasoline. The Minister, then at that time did come along with a graduated tax scaling system based on miles, which all members of this side of the House congratulated him, complimented him for doing so, so that Manitoba businesses close by the Saskatchewan border would not be penalized.

Well, I say that the same should apply in the form of the payroll tax. Much was made yesterday of the fact that Conservatives favored a 2 percent sales tax increase rather than the payroll tax. When the sales tax in Manitoba was 5 percent, and it is now 7 percent in the Province of Ontario, I've always been a great believer that Manitoba has to be guided by what happens in Saskatchewan and Ontario. We can't go ahead and put our liquor taxes away above those two provinces, because we have seen in the past where Manitobans, and particularly people from Winnipeg, will make their purchases in Kenora in relation to liquor and people along the Saskatchewan and Manitoba border will go into Saskatchewan, if the taxes in Saskatchewan are so much less than they are in Manitoba. So, we in Manitoba are guided by the activity that takes place in the other two provinces.

Our Finance Minister has always got to keep in mind, what is the taxation for the same service, or the same item in our neighbouring provinces. I believe that when the Member for Fort Garry made some comment about perhaps the government should bite the bullet and if they need the additional revenue, make the sales tax 2 points higher, rather than bringing in the payroll tax, I'm sure that he had in mind that Ontario had a 7 percent sales tax at that time and we were at that time with 5. What the province did is they put the payroll tax on, then they also increased the sales tax.

MR. SPEAKER: Order please.

The Honourable Minister of Finance on a point of order.

HON. V. SCHROEDER: Yes, Mr. Speaker, I just wanted to point out to the member that the Member for Fort Garry made that statement after the sales tax in Manitoba was at 6 percent; it was on Thursday, March 3, 1983, the sales tax was increased February 24th. — (Interjection) —

MR. SPEAKER: The Honourable Member for River Heights.

MR. W. STEEN: I'm sure that I would say, Sir, if I were asked, I would prefer us in Manitoba to have a 7 percent sales tax and not have a payroll tax. When the payroll tax was introduced, it was estimated that it would earn about the equivalent to two points on the sales tax. I think the sales tax is a fairer tax for all Manitobans than the payroll tax is. I also think, Mr. Speaker, that income tax is likely the fairest tax that any person faces in their life and that, therefore, I would personally support the additional increases in needed revenue on an income tax or a sales tax area rather than one that picks and chooses whether an employer hires or creates

an additional job; have it on the individual rather than on the employer. I think that would be a fairer tax. — (Interjection) — That's a personal opinion, yes. I'm entitled to have my personal opinion.

The other comment I would have, Mr. Speaker, is that much has been said in the last 24 hours about the new proposed agreement between the government and the American Aluminum Company. The previous speaker mentioned that he believes in government and private participation. Well, during the Throne Speech, I believe that my colleague, the Member for Roblin-Russell did the count and the Jobs Fund was mentioned 20-some times in that document.

Also, the second item mentioned most often was that this government was now going to co-operate with the private sector more so than it has in the past. I would imagine that making a deal with the American Aluminum Company in lieu of one with Alcan, the Canadian Aluminum Company, is that they're exercising their right to opt in with the private sector. The only thing is, the big difference as I see it is that with the NDP, they can retain all the hydro rights. They will have to have Manitobans fund any new hydro construction totally and then they're going to ask Manitobans to put out some more tax dollars and become a partner in the smelter plant. So, therefore, Manitobans will pay far more than they would have under the arrangement that I preferred, and that is, that if the aluminum company wants to buy a portion of a hydro plant, and yet, we as Manitobans, Mr. Speaker, at all times retain controlling interest in whatever the deal is, I can see nothing wrong with us entering into a multi-million dollar proposition as long as the government . . .

MR. SPEAKER: Order please.

MR. W. STEEN: . . . and the people of Manitoba retain controlling interest and have the total control of the input and the output of whatever that proposition is.

So, under our arrangement we would have had some private-sector money into a hydro project and the private company would have paid the total bill for the smelter plant. Under their arrangement the taxpayer of Manitoba is going to have to come through with many many more dollars to, what I think, accomplish the same goal.

We already have a provincial deficit of close to \$500 million and now with this latest announcement, the deficit - if the program goes ahead that is - is going to go higher again as Manitobans are going to have to invest in capital programming on behalf of this proposed aluminum company.

I also ask members opposite - one of their members, the Member for Inkster, was a person that showed a great deal of interest in the aluminum smelter coming to Manitoba and he does it from an environmental point of view as well as a dollars-and-cents point of view - I just wonder what kind of a thorn in their side is he going to be when it comes time to try and finalize some of these agreements from a point of view of the environmental standpoint. I wouldn't want to be the Minister of Mines and having to meet and deal with these people and have that member or colleague of his at his side at all times asking difficult questions in relating to the environment.

That same particular member - on another case, Mr. Speaker, we spend a lot of money in Manitoba on tourism - in the Whiteshell, he, along with his Minister of Natural Resources have encouraged the government to allot a section of the Whiteshell that cannot be used by motorized vehicles, whether it be airplanes or boats and so on. Yet, we have a number of camp operators down in the Whiteshell who depend for their living on having tourism and tourists from outside out of their area, whether they be fellow Manitobans or whether they be Americans from across the line, come in and use their facilities. Now, with the restrictions that the government's proposed, it's going to be far more difficult for these camp operators to operate in that area. I personally, can't understand why the camp operators who are there now can't be permitted to continue on as they have in the years gone by. There are so many lakes in the area that I can't see why the environmentalists or those that want to be on a lake that hasn't got any motorized form of transportation can't find sufficient lake space in the Whiteshell and in other parts of Manitoba.

Mr. Speaker, it's been mentioned by members opposite on the government side that all we in opposition do is say cut the deficit, increase the spending, we never offer any suggestions as to where they could perhaps reduce their expenditures.

Well recently, I saw a list of Orders-in-Council that has been compiled of persons that act as executive assistants and special assistants to the various Ministers and that list, Sir, is astronomical, the number. It's running two or three persons per Minister, far more than has ever been needed in the past. They have increased the numbers of people by some 500 over the past two years that they have been the government, bringing many many persons in from the Province of Saskatchewan. They have taken Assistant Deputy Ministers, like one of my constituents, Mr. David Sanders, and they made him a Deputy Minister after the election. After they get tired of him they give him a two-year contract to go out in to the private sector and work and permit him to earn a salary under this contract which is very similar or equivalent to a Deputy Minister, yet they give him the right to go out and earn money over and above that where it is grossly unfair because he has been the person who has been the architect of the agreement of the Inner Core Area, and yet, he's going to be permitted to go out into the private sector and compete against other persons in the private sector with the knowledge of and the experience of drafting those agreements, and yet this is the "sweetheart deal" they give some of their former candidates. I find that is just unacceptable, Mr. Speaker.

Another area that I would like to spend a few moments on is the aid to independent schools. The question was asked this morning by our education critic and I believe that the critic was told that in due time an answer would be given.

In the constituency that I represent, River Heights, we have a number of persons who have students, youngsters from their families, in independent schools. We have some of the finest schools in the Province of Manitoba that these students attend, and I think that the independent school offers an alternative form of education.

I have a copy of a letter dated April 11th, sent to the Honourable Minister of Education from the Winnipeg

Mennonite Elementary Schools, which was sent out by a Mr. Len Barkman. There are portions of it, Mr. Speaker, that I would like to put on the record.

He goes on to say in here, "We are pleased to see, in the review of education financing, that Dr. Glen Nicholl recommended that funding for students attending private schools continue and the rate be set as a percentage of the per capita grants given to students attending public schools.

"As you are well aware, the current formula provides for \$480 per student in private schools while it is approximately \$2,800 per year for students in the public sector. Comparable levels of support for private school students in our sister provinces to the west are: British Columbia, \$800 per student; Alberta, 75 percent of the public schools grants; and Saskatchewan, full public schools grants.

"Even B.C.," it goes on to say, "who has been severely criticized for its cutbacks in education, and yet their government provides almost twice the support to their children as does the Government of Manitoba to our children."

He goes on to talk about the ethnic and religious and linguistic minorities being represented and that this government hasn't been unmindful of them and encourages them to give greater financial assistance.

Then Mr. Barkman states that the tuition and transportation fees for students attending independent schools in Manitoba run between \$1,200 and \$1,600 per student. Now I believe that Mr. Barkman is on the low side when he says that because St. Paul's High School tuition is higher than \$1,600 per student and the rate is going up again next year.

He goes on to say that if a person at \$800 a year, and they only had the one youngster in their family attending an independent school, that you would be spending something in the area of \$18,000 to educate that student or that youngster of yours through the independent school system. Then he gives the example of if there were two or three children, the fee would be perhaps \$36,000 or \$54,000 that would have to be paid for by the parent on an individual basis.

I have never yet, in all the meetings that I have had with people that support and are involved with the independent schools, have ever heard them say that they would like full payment. In fact, if they had full payment, their schools wouldn't have room for the students and the people that would want to send their students there because there are many people who believe that, in alternative education, the education given to students in the independent schools exceeds that and is greater than that in the public school system.

I don't send my daughter to an independent school. She has attended Brock-Corydon for elementary and is now in junior high in River Heights and I think that they are both excellent schools. I would not, even if there were full tuition for students in independent schools, send my daughter to an independent school, but I do believe that the alternative should be available to the citizens of Manitoba and that something better than \$480 should be made available in the way of assistance.

I like the system that was invoked by the Conservative Government that I was part of where we send the money, not through the public school boards, but to the schools in the form of a direct grant per student. Someone

opposite says, "How much?" Well, if \$480 is about 20 percent of the true cost, what government has to do is every year try and increase that financial support. There is no way, with a deficit approaching \$500 million, that we could afford three-quarters of the tuition. That is just impossible. The taxpayers of Manitoba at this point can't afford that, but something better than 20 percent should be offered.

It was mentioned earlier that we have something like 7,800 students attending independent schools. I would very much like to see something closer to 50 percent of the true cost being made available to assisting these people. That's my personal position.

Mr. Speaker, in tourism, I made reference to the Whiteshell and so on. I was reading an article in the Manitoba Hotel magazine where the executive director of the hotel association made reference to the fact that what really hurts the tourist industry in Manitoba is that governments come along and increase liquor taxes; governments come along, like municipal governments, and continually talk about putting a room tax on as a means of finding revenue; and the other argument that he was making in his article was that hoteliers are often accused of not giving Americans the true value for their dollar on the dollar exchange. He said that most people, when they travel, they change their money prior to leaving their home country.

Well, I would just like to cite an example of being down in Grand Forks recently and the people in the Grand Forks, North Dakota community - and most Winnipeggers who I know that travel down there from time to time do not exchange their money up here in Winnipeg because most business concerns in Grand Forks, North Dakota take the money at some figure less than the exchange rate. The time that I was there, it was going to cost us 28 cents at the bank to change your money and most businesses down there were taking the Canadian dollar with a 20 percent exchange rate.

For rooms down there, you could pay in cash with Canadian money and get it at par. If you wanted to use your plastic or your credit cards, then they wanted their fair rate of exchange, but they were prepared to take cash and for rooms give us full value, 100 cents on our dollar, in relation to the room bill.

I disagree there with Mr. Perfumo from the hotel association. I believe that the hotels in Manitoba, and recently being at a tourist meeting at the City of Portage la Prairie this summer, is going to try to offer, and they have got a commitment from all the hotel owners in Portage to giving Americans 30 cents on the dollar as a means of encouraging American tourists to come to the City of Portage la Prairie.

I think if we could, through the Department of Tourism, encourage our hotel people to do that across the board, that we would be enhancing tourism into Manitoba.

At this same tourist convention that I spoke of a moment ago, Mr. Speaker, the Department of Business Development and Tourism gave a slide presentation of their program for the upcoming year. They show in the program that they spend about 2 to 3 percent of their efforts in Saskatchewan trying to lure Saskatchewan people into Manitoba, they spend about 6 or 7 percent in Ontario trying to promote Ontarians into coming to Manitoba, and the bulk of their advertising is done in the United States, particularly in the northern United States.

Unfortunately for us in Manitoba, North Dakota is only a state of about 600,000 to 700,000, and even though Minnesota has some 4 million people, 3.5 million of the 4 million live in the south part of that state and have to travel in excess of 300 miles to come to Winnipeg. That same population proportion also affects us when we go to sell our hydro because we have to go so far in the United States before we can find a supply of customers, but that's a fact of life.

I believe that if our Tourism Department would spend more time encouraging and working with the private sector here in Manitoba to giving the Americans fair value for their dollar that we could go a long way in increasing the tourism to Manitoba.

One of the greatest tourist attractions in Manitoba, and that Manitoba has had to offer in the past, has been the race track here, horse racing. The big problem that Manitobans are going to face in the future to try and continue to lure the American horse-racing fans into Winnipeg is that Minneapolis is now building a track and I can safely say, I'm sure, Mr. Speaker, that anybody from about Fargo, North Dakota onward, further south, is going to go to the Minneapolis track rather than to continue to come up and make long weekends in Winnipeg to attend racing in Winnipeg.

In order to keep our horse-racing business a viable business here in Manitoba, the effort that government is going to have to put is going to have to be increased in order to continue to attract the Americans to Winnipeg and to support that track.

One other area, Mr. Speaker, that I'd like to mention in the Tourism is that the Minister of Highways today gave out his road program and yes, he says from his seat that there was nothing in there for the Constituency of River Heights in the way of roads, but as a person interested in, as I say, attracting Americans to Winnipeg, the common things said to me by Americans is that we have Interstate 29, a four-lane highway in which to drive up to the Canadian border. We get to the Canadian border and then we ride on a very rough, two-lane highway from the American border to Winnipeg.

The Minister mentions that they are spending a fair amount of money this year on continuing the four-laning programming of that road. My question to the Minister is: when is he going to come up with an agreement with the City of Winnipeg and four-lane it through that portion of Winnipeg known as St. Norbert so that the people won't, some day, hit the four-lane, go back to a two-lane road and then back to a four-lane road when they hit the city? I would say that four-laning in the city's portion is very badly needed, as well as the four-laning all the way to the border.

I am sure that the Minister of Highways is well aware of that and I know that four-laning of highways is an exceptionally expensive proposition.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please.

MR. W. STEEN: I hear the environmentalist over there saying that all we want is more money. I did tell him that there were 500 persons that perhaps the government didn't need and they didn't have to hire them from Saskatchewan and other places.

Another thing - and the Minister of Health has left - that I wanted to bring up, as Minister of Sport, but I'm sure that he can read it in Hansard. A few days ago he stood in his place in the House and gave a glowing report, which we all endorsed, about Manitoba having won five dominion or national curling championships and all people in Manitoba are very proud of these persons that were participants on these teams and so on, but another area, in dealing with curling, that has been on the horizon for a number of years is that Manitoba was granted some 10 or 12 years ago, from the Canadian Curling Association, the right to establish a Canadian Curling Hall of Fame here in Winnipeg.

Very little has taken place since Manitoba was granted that right to establish a Curling Hall of Fame. Lately, the City has entered into a 25-year agreement, plus a 25-year extension to the curling people so that the Curling Hall of Fame could be established in the second floor of the pavilion at Assiniboine Park. The only problem that faces the Curling Association is they must go out and raise the \$2 million first that is needed to renovate that building to make it into the Curling Hall of Fame before they can proceed with any renovations whatsoever.

The City's commitment to the Curling Hall of Fame has been the right to have the building on a long-term lease. The curling people tell me that the Minister of Sport has said that when they have got their package together and the i's have been dotted and the t's have been crossed, that he is prepared to listen to them and offer his best form of support; and hopefully, that will be with some financial assistance at that time.

It was my privilege, Mr. Speaker, a couple of summers ago, to be in Northern Minnesota and I was in Hibbing, Minnesota, where the American Curling Hall of Fame is established. Hibbing, Minnesota is about 40 miles north of the major east-west highway in the United States from Grand Forks to Duluth and many persons will make that 40-mile trip from Grand Rapids, Minnesota up to Hibbing, just to see that Curling Hall of Fame. I've made some inquiries with the Canadian Hockey Hall of Fame in Toronto and the Hall of Fame in Hamilton and both of them are excellent tourist attractions for their various communities. So, I would like to see this government, when the appropriate time comes, assisting and co-operating with establishing this Curling Hall of Fame before Manitoba loses it to another province.

Manitoba does have the possibility of losing it, because they have had it, as I said, for some 10 or 12 years and nothing has really been done in the way of establishing this particular program.

Another comment I would like to make, Mr. Speaker, in the area of health care is that I saw the Minister of Health on television recently and he was talking about contracting out; and he was saying that if nursing homes want to contract out the janitor services, the laundry services and the food services and it becomes a major concern and a problem that unionized persons would be out of work and so on, that he would stop the funding to these various nursing homes.

He has threatened them and what I would say, Mr. Speaker, is that if a public nursing home can find persons to do equivalent work for less money, I think this is what government should be striving to do, is to try and see that they can save some money.

One of the problems with nursing homes in recent years has been the amount of paper work that is involved. My wife is a staff co-ordinator at one in Winnipeg here and she said in the last five years that she has been a staff co-ordinator that the paper work in the nursing home has more than doubled; and she finds that much of her time now is spent doing paper work for government and this wasn't started under the current Minister. It even happened in our day when we were government, but why does government have to have so much in the way of written paper work regarding the residents of these nursing homes? It has more than doubled in the past five years and this is an area that I think the Minister would be wise if he had his people look into is to try and get some of this paper work out of the way so that these professional people can have a greater amount of time to deal with the actual residents, rather than sending in a report as to how much they're receiving and how much their family takes from their money and what are their assets and what are their belongings and have they purchased additional clothing in that particular year, and so on. A little bit more autonomy for the nursing home, in my opinion, would be better, rather than having government intervention. I would like to see the Minister give some thought to that.

The Minister regarding the Jobs Fund was talking yesterday about the number of jobs that have been created, and my colleague, the Honourable Member from La Verendrye, this morning was mentioning it. One of the areas that I get a kick out of is that the University of Winnipeg, when the current Premier was Leader of the Opposition, he was over there speaking one day to a students' group and he said, that if you people elect me Premier of this province, I will build you a Field House. Now, they have kept their commitment, they are building the Field House, but the problem there is that they say that the only reason you're getting it now is because of the Jobs Fund. All this really is, as the Member from La Verendrye pointed out earlier this morning, is we're moving dollars from one budget to another budget and we're pooling some money and calling it a Jobs Fund, running around spending thousands and thousands of dollars, telling Manitobans that everything in Manitoba is beautiful because we are now spending \$200 million on jobs, and yet these commitments were made by these departments even prior to the Jobs Fund being created. It's a shuffling of paper again in many cases, Mr. Speaker.

HON. L. DESJARDINS: That's not true, you don't understand.

MR. W. STEEN: The member opposite says, "I don't understand." Well, it's been pointed out to me by many people that it's a shuffling of paper.

One area that I would like to perhaps conclude on, Mr. Speaker, and it was mentioned very briefly by the Member for La Verendrye, and briefly by, my leader, the Leader of the Opposition, and this is the University of Manitoba poll.

The University of Manitoba poll, which was conducted by Greg Mason, a person who in the past, I think, has been recognized by the members of the NDP Party as

being reasonably fair to them when he's been conducting polls and so on, conducted a poll from April 9th to the 12th - and he in the poll involved some 881 Manitobans - and it shows that the Progressive Conservatives have 38 percent of the support and the New Democrats are down at 17 percent and the Liberals have risen slightly to 9.5 percent. Well, I can understand why the Liberals have risen a little bit with the national leadership on and the T.V. dominated every night by the news of the candidates running for the national leadership of the National Liberal Party. Obviously their fortunes have got to come up somewhat and to go from almost nothing up a little bit isn't any great accomplishment.

The interesting point about this survey, Sir, is that it points out that the NDP currently are lower than they were prior to Ed Schreyer coming to lead this party and that they are at their lowest ebb. They talk about the fact that perhaps, when we were halfway through our term that we were trailing them. I don't think that we ever trailed them by the difference that now exists - 38 percent versus 17. If you take the undecided and you allot them proportionately to the three parties, that puts the Conservatives well over 50 percent, and as Greg Mason says, if there was an election held now that the Conservatives would have a landslide victory.

I don't want you to call it now, because I don't want you to put Gary Filmon in the difficult position of trying to keep 45 or 50 members happy. Look at the problems that Devine has had in Saskatchewan trying to keep a large majority happy, and look at the problems that Peter Lougheed in Alberta has keeping people busy. In fact, so much so that in Alberta they had to send some members on a cross-country mission to ask what other legislators across Canada thought about senate reform. To me this is beautiful to have these trips, but, I question whether these little junkets are really necessary in this time and so on.

As I said, Mr. Speaker, with these polls being as they are, as other speakers from this side of the House have said, this government is not listening to the average Manitoban. That was clearly pointed out when the French Resolution was placed before us and yet they were pigheaded enough to want to carry on and push that resolution to the point where it has damaged their party, likely to a point that it will never recover. I don't know how the Premier and the then Attorney-General ever allowed the Prime Minister of this country to suck them into thinking that if they went and pushed the French question in Manitoba that they would get some favour from the Federal Prime Minister, Mr. Trudeau. I don't know how they ever got snowed into believing that, but as has been said by other premiers in Canada, Mr. Speaker, that when there's a Premiers' Conference, Mr. Pawley is one step out of line with the rest of the premiers in Canada. The only person he gets to talk down there, I guess, is Trudeau, and maybe the two of them get along well, and by him being a loner at these things, he allowed Trudeau to suck him in on that French issue, which has killed the NDP Party and has placed them so low in the polls that I don't think that they can possibly recover in the next two to two-and-one-half years from that issue.

Greg Mason in his polling, has said that that is the major issue, as well as the lack of confidence that Manitobans have in this government to be capable to govern.

So, Mr. Speaker, it's strictly, in my opinion, a matter of time before we have an election and it's only a matter of time before Gary Filmon is the premier of this province.

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

MR. A. KOVNATS: Thank you, Mr. Speaker.
I beg to move, seconded by the Honourable Member for Rhineland, that debate be adjourned.

MOTION presented and carried.

BUSINESS OF THE HOUSE

MR. SPEAKER: The Honourable Government House Leader.

MR. A. ANSTETT: Thank you, Mr. Speaker.
Just a few brief comments for the benefit of members with regard to House business before we adjourn for the day.

Mr. Speaker, unfortunately I have to advise the House that because of some scheduling difficulties, we will be unable to consider the report of the Manitoba Telephone System next Tuesday, as originally scheduled - we finished the Manitoba Public Insurance Corporation yesterday - and I would like to reschedule that for the week following, on Tuesday the 8th and if necessary the 10th. Instead, that would be the same day - oh, sorry not the 8th, no, that's Public Utilities and Natural Resources - the 8th and the 10th, Mr. Speaker, for Manitoba Telephone System. In its place on Thursday, of next week, May the 3rd, in the Standing Committee on Economic Development, Channel Area Loggers,

Moose Lake Loggers and the Community Economic Development Fund.

As is already in the notice paper, Mr. Speaker, the Standing Committee on Public Accounts will meet on Tuesday and Thursday if necessary to consider the Provincial Auditor's Report and the Public Accounts of the province.

The report of A.E. McKenzie Seeds will be considered in committee on Tuesday the 8th. I understand that the Minister will be tabling the report shortly. I have given the house a commitment, Mr. Speaker, that that report will be tabled well in advance of the meeting.

Mr. Speaker, with regard to Estimates, since we will, hopefully, be in Estimates by the end of next week, the beginning of the following week, the conclusion of the debate, I think it's appropriate to advise the House at this time, for the convenience of members, that it would be our hope that we would commence in the Committee in the House with Natural Resources, followed by Health, followed by Education and I understand from the Opposition House Leader that the first three departments to be considered in the committee outside of the House, that section of the committee outside, would be Highways, Attorney-General and Municipal Affairs, not necessarily in that order, and expect to have further consultation with the Opposition House Leader with regard to specific order for the committees.

Mr. Speaker, unless there are any further questions regarding House business for next week, with the concurrence of the House Leader of the Opposition, I would move, seconded by the Member for Lakeside, that the House do now adjourn.

MOTION presented and carried and the House adjourned and stands adjourned until 2 p.m. on Monday afternoon.