

## LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, 21 May, 1986.

Time — 2:00 p.m.

### OPENING PRAYER by Madam Speaker.

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

### MINISTERIAL STATEMENTS AND TABLING OF REPORTS

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

**HON. H. PAWLEY:** A statement, Madam Speaker. I wish to announce to the House the appointment of the Honourable Samuel Freedman, former Chief Justice of the Province of Manitoba, as a Commission of Inquiry into certain allegations of conflict of interest and of impropriety against a member of the Legislature for Transcona.

No Manitoban, indeed no Canadian, can have any doubt in the integrity, the impartiality and the judgment of Samuel Freedman.

The terms of reference are as follows:

1. THAT the Honourable Samuel Freedman, formerly Chief Justice of the Province of Manitoba, City of Winnipeg, be appointed a commissioner under Part V of The Manitoba Evidence Act to make inquiry into whether the said Wilson Parasiuk is or has been in conflict of interest or has acted improperly with respect to:
  - (a) the consulting contract awarded by the Manitoba Energy Authority, a Crown Corporation, in fiscal year 1984-85 to WMC Research Associates (Manitoba) Ltd.;
  - (b) his interest in certain real property in the City of Winnipeg, commonly described as 115 Bannatyne Avenue (The Brokerage); and to make findings and recommendations with respect to the matters outlined in (a) and (b) above consistent with the public interest and general welfare of the people of Manitoba.
2. THAT the commissioner submit his final report to the Attorney-General on or before August 15, 1986, or as soon thereafter as it can be completed.
3. THAT from time to time on the certification of the Attorney-General, the Minister of Finance pay from the Consolidated Revenues:
  - (a) remuneration to the commissioner at the rate of \$750 per day; and
  - (b) travelling and other incidental expenses incurred by the commissioner in carrying out this inquiry, and
  - (c) fees and salaries of such advisers and assistants as may be employed or retained for the purposes of the inquiry.

In my view, these terms are broad enough to encompass all of the allegations made. Indeed, at the request of the Member for Transcona, the inquiry will go further than the strict terms of conflict of interest and involve the broader issue of impropriety.

I go further and make this comment to the House and to the people of Manitoba: If the report of the Provincial Auditor into transactions between the Government of Manitoba and tenants of 115 Bannatyne Avenue, (The Brokerage) requires it, additional action will be taken.

Madam Speaker, I share the desire of the Member for Transcona, as I'm sure do all members of this Chamber, that his name be cleared as soon as possible.

**MADAM SPEAKER:** The Honourable the Leader of the Opposition.

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

I begin, Madam Speaker, by stating on behalf of all of my colleagues on this side of the House that we applaud the appointment of Mr. Justice Samuel Freedman, former Chief Justice of the Province of Manitoba, as the Commissioner of Inquiry for the investigation into allegations with respect to the Member for Transcona.

I believe that all members here are familiar with Mr. Freedman and can attest that the government's choice is an excellent choice. He is indeed an individual with the capability and the impartiality to carry out a thorough and complete investigation of this nature. He has undoubtedly the highest standards of integrity and common sense and good judgment that any of us would wish to see in the appointment of a commissioner to do this investigation.

I commend the Premier and the government for having made this choice. We agree with it wholeheartedly.

I, as well, agree and commend the Premier for the decision that has been made to include all of the aspects of the relationship with respect to the Brokerage Building at 115 Bannatyne in the investigation. It is extremely important, as members on this side have said, that the investigation not be limited in scope to the one contract to which the Premier was referring yesterday but rather to all of the relationships with tenants in the building in which he is a part-owner.

Having said that, Madam Speaker, we will await the results of the formal aspect of the inquiry and be guided by the findings in the inquiry with respect to the future decisions that are taken. Thank you.

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

**HON. H. HARAPIAK:** Madam Speaker, it is my privilege to table two annual reports: the Annual Report for Channel Area Loggers for the year ending March 31, 1985; and the Annual Report for Moose Lake Loggers for the year ending March 31, 1985.

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

### INTRODUCTION OF GUESTS

**MADAM SPEAKER:** Before we proceed to Oral Questions, I would like to direct the attention of honourable members to the gallery where there are 35 students of Grade 5 from the George McDowell School. These students are under the direction of Alvina Thiessen and the school is in the constituency of the Honourable Member for Niakwa.

There are 24 students of Grade 9 from the Rosenort School under the direction of Mr. Bgarnason. This school is located in the constituency of the Honourable Member for Morris.

On behalf of all the members, I'd like to welcome you to the Assembly this afternoon.

### ORAL QUESTIONS

#### Consulting contract - M. Decter

**MADAM SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Thank you, Madam Speaker. My question is for the Premier.

I want to know, Madam Speaker, did the Premier discuss the awarding of a Provincial Government consulting contract in the amount of \$45,000 to Mr. Michael Decter, former Clerk of Cabinet, prior to Mr. Decter having left the government service?

**MADAM SPEAKER:** The Honourable Leader of the Government.

**HON. H. PAWLEY:** Madam Speaker, the answer is yes. In fact, Madam Speaker, it was my idea. The areas to be looked into were those that were, in my view, required attention of this government early in its mandate, and it was my idea to approach Mr. Decter, which I did.

**MR. G. FILMON:** Madam Speaker, were the terms of reference and the scope of the study that Mr. Decter was to undertake decided upon before Mr. Decter left the Civil Service?

**HON. H. PAWLEY:** Madam Speaker, the terms of reference, the scope of the work was determined subsequent to Mr. Decter's advice that he would be terminating his employment with the government on May 1, prior to his departure from the government May 1.

**MR. G. FILMON:** Madam Speaker, I wonder if the Premier can indicate whether or not Mr. Decter participated in the establishment of these terms of reference.

**HON. H. PAWLEY:** Madam Speaker, the terms of reference were those which I generalized and had developed by a number of people as a result of instructions from myself that they be developed along the particular areas that they were.

**MR. G. FILMON:** Madam Speaker, are we to assume from that that Mr. Decter was one of the people who participated in the establishment of the terms of reference?

**HON. H. PAWLEY:** Madam Speaker, Cabinet as a whole was involved in the development of the terms of reference as a result of initial direction from myself and only myself.

**MR. G. FILMON:** Madam Speaker, I wonder if the Premier could indicate whether or not Mr. Decter participated. He's not a member of Cabinet, he was the Clerk of Cabinet. Are we to assume by that that he participated in the development of the terms of reference?

**HON. H. PAWLEY:** Madam Speaker, the responsibility for the terms of reference are mine and those of my colleagues in Cabinet originally initiated by myself. As to Mr. Decter's role or involvement, that was secondary to the decision to proceed with the consulting work in — (Interjection) — regard to the . . .

Madam Speaker, I've been as open and as forthright as I can possibly be with honourable members across the way. It was my determination that this work needed to be done; it was my decision that it be proceeded with. It was my approach to Mr. Decter that resulted in his employment in order to undertake the work which I believe is long past due in the Province of Manitoba by one, Madam Speaker, that I think is unique in having the capabilities to undertake this work. I am proud that I was able to obtain a commitment from Mr. Decter to do this. I noticed since, Madam Speaker, that the Federal Government has also obtained — (Interjection) — the services of Mr. Decter.

**MADAM SPEAKER:** Order please.

The Honourable Leader of the Opposition.

**MR. G. FILMON:** Madam Speaker, I am sure that Mr. Decter would not have written the terms of reference for his employment with the Federal Government, nor would he have participated . . .

**MADAM SPEAKER:** Question.

**MR. G. FILMON:** . . . as a member of the government in it . . . It's not what he said.

Madam Speaker, I wonder if the Premier could indicate . . .

**HON. H. PAWLEY:** Madam Speaker, I wish, on a point of order, to correct a misinformation on the part of the Leader of the Opposition.

**MADAM SPEAKER:** Order please. A clarification or a correction is not a point of order.

The Honourable Leader of the Opposition.

**MR. G. FILMON:** Madam Speaker, I wonder if the Premier could indicate whether or not tenders or proposals were called for the consulting work that Mr. Decter has been awarded.

**HON. H. PAWLEY:** Madam Speaker, the answer is no; nor do I believe that, for a good reason which I never

criticized, tenders were requested for insofar as the appointment of Mr. Sherman.

I read in the paper this morning that only one out of 90-some contracts for the Federal Government in the Province of Quebec have been awarded by tender. We, in Manitoba, Madam Speaker, have a much better record than that.

But, Madam Speaker, I again want to say this openly, clearly and candidly in this House, I would not consider going through the sham of tenders when I have a person that is prepared to do work of utmost priority to the government with the qualifications and the talents that are unique to Mr. Decter.

**MR. G. FILMON:** Madam Speaker, in view of the fact that the contract is presumably to investigate tax reform, budgeting and expenditure management systems, would there not have been several chartered accountant firms and management consulting firms who could have equally applied for and fulfilled the terms of reference of this contract?

**HON. H. PAWLEY:** Madam Speaker, I want it to also be very clear and forthright. In my view, Mr. Decter is the most qualified person, the most able person. Madam Speaker . . .

**A MEMBER:** He is not even a chartered accountant.

**HON. H. PAWLEY:** Madam Speaker, with all the commotion of the last few weeks that has been undertaken by honourable members across the way, I'd be very leery to appoint a chartered accountant because of the commotion that they have raised, and properly, about certain loopholes in our Income Tax Act that were crafted by chartered accountants.

**MR. G. FILMON:** Madam Speaker, I am sure then that they could draft measures to close those loopholes if they are capable of opening them.

Madam Speaker, my question for the Premier is, will he table the contract with Mr. Decter?

**HON. H. PAWLEY:** Yes, the Minister of Finance will undertake that.

**MR. G. FILMON:** Madam Speaker, was Mr. Decter able to fulfill the mandate of this contract because of access to private information that he had obtained during the period of time that he was Clerk of Cabinet?

**HON. H. PAWLEY:** No. But, Madam Speaker, I must add that Mr. Decter has certainly benefited from knowledge during three administrations that ensure that he is uniquely qualified in order to undertake this very important work in order that this government carry on its mandate of ensuring greater fairness in the tax system not only federally, but provincially; and secondly, Madam Speaker, that we ensure that we improve the efficiency of budget management, the better delivery of services to the people of the Province of Manitoba. Madam Speaker, I know of no one at this point in the Province of Manitoba that I would sooner trust that responsibility to than one Michael Decter.

**MR. G. FILMON:** Madam Speaker, in view of the fact that tax reform has been a stated goal of this

administration for at least two years, and in view of the fact that Mr. Decter has held the top Civil Service post for four years with this administration, why wasn't he able to implement the tax reform proposals and recommendations and the expenditure control measures that are needed to be done under this agreement?

**HON. H. PAWLEY:** Madam Speaker, because clearly he was assigned many other responsibilities by the administration during the last four years and had not been assigned the responsibility of undertaking the development of a tax reform program so far as the Province of Manitoba is concerned.

### MCAP Grant

**MADAM SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Madam Speaker, I wonder if I could direct a question to the Minister of Employment Services and Economic Security. I wonder if he could indicate what the purpose of the MCAP grant to the Arts Co-op was.

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

**HON. L. EVANS:** The purpose of the grant would be to undertake minor modifications, and this is normal with organizations which lease a building that they do not necessarily own. We have a number of organizations in Manitoba who have received MCAP grants which are renting or leasing a building from another company. What we ensure, what we ask and request, is that there be at least a five-year lease in every case.

As I indicated, there were a number of minor modifications which would be in keeping with the purposes of fulfilment of that organization, just as there were minor modifications made by, I believe, just talking from memory here, the Manitoba Cancer Society, the heart organization, Heart Fund. There are a number of non-profit organizations which are leasing buildings and have requested monies under this program. Such organizations were assisted, and those renovations went on even though they didn't own those particular buildings. But they are normally in the nature of minor modifications.

### Consulting contract - M. Decter

**MADAM SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Madam Speaker, in view of the fact that leasehold improvements by tenants would enhance the capital value of a building such as 115 Bannatyne Street, and in view of the fact that the Premier stated yesterday that he knew of the investment in that building by both the Clerk of Cabinet and the former Minister of Energy, did the First Minister ask that anybody absent himself from the Cabinet meeting during the discussion of this grant that would have enhanced the value of that building?

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

**HON. H. PAWLEY:** I couldn't help but notice, subsequent to the question that was asked about whether I knew of interest on the part of Mr. Decter, the entire world, including the Leader of the Opposition, was informed by way of a press release November 30, 1981, that one Michael Decter was a managing partner in the restoration of the historic Bain Building, so even the Leader of the Opposition was informed if he had read his Information Service Release of that information of November 30 of the year 1981.

Madam Speaker, the other specific question as to whether so and so was present is a matter that will be dealt with under the Commission of Inquiry by former Chief Justice Samuel Freedman. The honourable members have expressed their confidence in the Chief Justice. I share that confidence, and that is an item that will be dealt with by the Chief Justice.

**MR. G. FILMON:** Madam Speaker, I haven't asked the question whether anybody was present or absent. I'm referring to the potential of turning \$1.75 per square foot warehouse space into \$8 per square foot commercial space by virtue of an investment that was being made by the Government of Manitoba on behalf of one of the tenants. In view of the fact that figures seem to indicate that, although 875,000 was invested in the building — it's now valued at \$1.2 million — my question to the Premier is: did he ask anyone not to participate in the discussions or decision with respect to the MCAP grant that was given to the Arts Co-op?

**HON. H. PAWLEY:** The honourable members asked for resignation; they received a resignation. Honourable members asked for an independent inquiry. They have received an independent inquiry by the former Chief Justice of the Province of Manitoba. In addition, we've referred certain items to the Provincial Auditor for reporting back.

Madam Speaker, we will not run a parallel Commission of Inquiry in this Chamber. It would be an affront to the former Chief Justice of this province that is charged with the responsibility of making a determination pursuant to the terms of reference of the Order-in-Council that has been passed.

### **Winnipeg Arts Club - loan guarantees**

**MADAM SPEAKER:** The Honourable Opposition House Leader.

**MR. G. MERCIER:** Madam Speaker, a question to the Minister of Cooperative Development, I would have hoped that he could have tabled the itemized statement of funding of the Co-op Loans and Guarantee Fund today. However, I would ask him if he would also table in the House a copy of the application for a loan guarantee by the Winnipeg Arts Club, along with a copy of the report from the Supervisor of Cooperatives, which is required to accompany such a loan application.

**MADAM SPEAKER:** The Honourable Minister of Co-op Development.

**HON. J. COWAN:** Thank you, Madam Speaker.

I'll certainly be able to table the detailed information that the member asked for by the end of the week, I believe. It is being compiled and I've given that commitment.

In respect to the questions that he has asked, as he is aware, this matter is now under review. I believe that those types of questions might be better directed to those individuals undertaking that review so that it can be dealt with in that form in a proper manner. I would suggest to him that, if he agrees — and I think there is agreement — that the review is a worthwhile review and will provide worthwhile results, those sorts of questions be addressed to that forum.

**MR. G. MERCIER:** Madam Speaker, I do not agree with the position advanced by the Minister, and I would ask him to table the information I requested.

I would also ask him to, in the light of the mandate that's contained in the last annual report filed by the Cooperative Loans and Guarantee Board for 1983-84 that we have — and I don't have any later annual report. The board notes that to be eligible for a guarantee a cooperative must demonstrate, among other things, normal business practices and reasonable security available to the lender. Could the Minister indicate what security the board obtained with respect to the loan guarantee that they gave to the Winnipeg Arts Co-op?

**HON. J. COWAN:** Yesterday, the member did ask the question as to whether or not \$100,000 loan was provided and what security was undertaken in regard to that loan. I told him I would reply to it today. On November 28, 1984, the Cooperative applied for a loan guarantee in the amount of \$100,000 to the Cooperative Loans and Loans Guarantee Board. On January 15, 1985, the Cooperative Loans and Loans Guarantee Board approved a \$100,000 guarantee which was to be secured by first charge on the fixed assets, leaseholds, improvements and lease. That loan guarantee was to reduce annually by one-third and to expire on March 31, 1988.

Since that time, the guarantee in the amount of \$100,000 was placed with the Credit Union Central on July 16th of 1985, secured by the general security agreement.

Recently there has been a change in the security held by the board to allow it to obtain an additional \$50,000 loan from the Credit Union Centre to be applied against equipment and leasehold cost overruns, but we still have in ranking, under normal procedures, the security which the board takes in hand when it makes any guarantee or any loan of this sort. So it has followed those procedures as outlined thoroughly, and I am assured that it has followed them in good conscience.

Of course, as I indicated earlier, this is a matter that is now under review and those types of questions, I would be more than pleased to refer them to that review so that they can be dealt with in that manner, if the members opposite wish.

**MADAM SPEAKER:** The Honourable Opposition House Leader.

**MR. G. MERCIER:** Madam Speaker, could the Minister indicate whether he and/or Treasury Board and/or

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Cabinet approved this decision with respect to giving the Winnipeg Arts Co-op the loan guarantees?

**HON. J. COWAN:** No. Because of the structure of the Loans and Loans Guarantee Board, these decisions are not normally brought to Cabinet and this decision would not have been brought to Cabinet under those provisions and therefore was not brought to Cabinet. It's a board that makes those decisions on its own recommendations, generally, and did so in this instance.

### Consulting contract - M. Decter

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

**MRS. S. CARSTAIRS:** Thank you, Madam Speaker. My question is to the First Minister. Yesterday, Sir, you said that Mr. Decter had in fact informed you of his partnership in the building known as 115 Bannatyne. Did he also tell you at that time that a mortgage had been taken out for \$650,000, upon which he had signed a personal covenant?

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

**HON. H. PAWLEY:** No, Madam Speaker, and I don't understand the relevancy. Maybe the Member for River Heights could advise us as to the relevancy.

**MRS. S. CARSTAIRS:** I think my question, Mr. Premier, in fact indicated that perhaps there was a real vested interest in the success of this building, since if it lost its money there would be \$650,000 paid.

**MADAM SPEAKER:** Order please. Would the honourable member please address her comments to the Chair, and if this is a supplementary question it needs no preamble.

**MRS. S. CARSTAIRS:** Thank you, Madam Speaker. Would the Premier see to it that the obvious interest of Mr. Decter be also part of the investigation of the Auditor?

**HON. H. PAWLEY:** Madam Speaker, we've already indicated the Provincial Auditor has been charged with the responsibility of investigating matters pertaining to Bannatyne in general.

### IMAX Theatre Complex

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

**MR. D. ORCHARD:** Thank you, Madam Speaker. My question is for the Minister of Industry in the province. Last week the Minister announced a provincial participation in the IMAX Theatre complex in the City of Winnipeg. Part of that announcement, Madam Speaker, was a \$2.45 million film production cost which will be part of the total project. My question to the Minister of Industry is: have any contracts been let to accomplish the production of that film of \$2.45 million?

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

**HON. V. SCHROEDER:** Thank you, Madam Speaker. I'll take that question as notice.

**MR. D. ORCHARD:** Madam Speaker, while the Minister is taking as notice the question as to whether there's any contracts let for the production of that film, could the Minister also provide information to the House as to how the government and his department would presume to choose the Manitoba content in the film production, as to whether it will be done through such method as a proposal call and direct public tender of film production companies, so that they may be awarded on the basis of the lowest tender?

**HON. V. SCHROEDER:** Madam Speaker, I'll take that question as notice as well.

**MR. D. ORCHARD:** Madam Speaker, would the Minister of Industry be prepared to table the agreement of participation of the Manitoba Government in the \$7.5 million total project, indicating the nature of the interest-free loan of \$1.8 million and to whom that interest-free loan will be available?

**HON. V. SCHROEDER:** Yes, Madam Speaker, that agreement can be tabled. I'll get it.

### Suspension of Crown Attorney

**MADAM SPEAKER:** The Honourable Opposition House Leader.

**MR. G. MERCIER:** Thank you, Madam Speaker. I have a question to the Attorney-General. Recent news reports referred to the suspension of a Crown Attorney as a result of something that has occurred during a criminal prosecution — and perhaps criminal charges — proceedings that have been stayed. I wonder if the Attorney-General could inform the House as to the status of that matter.

**MADAM SPEAKER:** The Honourable Attorney-General.

**HON. R. PENNER:** Yes, I wish to thank the Member for St. Norbert for advising me just before this Session began that he would be asking that question.

Yes a relatively junior Crown Attorney seized of a matter pending in the courts involving in fact a serious charge of first-degree murder. When called upon, as is usually the case, by defence counsel to advise of particulars, negligently — not intentionally — negligently failed to give the defence attorney some very important information that in fact pointed to the probable — pointed to a strong defence that could be made by the accused.

Fortunately, because of our system of reviews, this came into the hands of, and attention of, senior personnel in the department and as soon as that was known the defence attorney was advised. Subsequently, after careful review by department officials, the charge against the individual was stayed and pursuant to the terms of the collective agreement, the actions of the

Crown Attorney who had erred to begin with were reviewed and he was disciplined in terms of the collective agreement by a suspension without pay for one week.

**MR. G. MERCIER:** Madam Speaker, I wonder if the Attorney-General could indicate how long the accused was incarcerated and how much time prior to the trial did the senior Crown Attorney review this case and find out this important information; and is the Attorney-General considering any compensation to the accused for what he has termed, "negligent handling of the matter"?

**HON. R. PENNER:** I'll take the first part of the question as notice in terms of the particulars and will advise him and the House of those matters.

With respect to the broader issue of compensation, this is a vexing question which is presently under review by the Federal Government in cooperation with provincial administrations. I hope to be in a position to make a statement about that to the House in the very near future. We've had two or three cases recently in which this issue has been raised.

I must say at this point, in conclusion of this answer, that I was careful to note, with respect to the particular case mentioned, that the information pointed to a strong defence but did not necessarily establish the innocence of the person involved.

**MR. G. MERCIER:** Madam Speaker, a final supplementary. I wonder if the Attorney-General could indicate whether he or his deputy have introduced any changes in the handling of these matters in order to avoid such an occurrence happening again — appreciating that we're all human and mistakes will be made — but are there any improvements in the review of these cases by, as he said, relatively junior counsel handling a serious matter in order to ensure that this does not happen at all in the future, if possible.

**HON. R. PENNER:** We've drawn it to the attention of all Crown Attorneys, a procedure which we do have in place, a written procedure with respect to what is called Discovery, that is, making available to defence counsel material facts, and we've emphasized that subject to certain narrow limitations that would protect information that is not normally disclosed — names of informers, for example — that we are to be as open as we possibly can be in making available to the defence all information so that true answering defence can be made in conformity with the rights of the accused and the requirements of the Charter.

### MINISTERIAL STATEMENTS AND TABLING OF REPORTS (cont'd)

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

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

The First Minister indicated that we're prepared to table the contract between the Government of Manitoba and the October Partnership and I'd like to do it at this time.

In addition, yesterday the First Minister indicated that we were prepared to table the letter to the Provincial Auditor requesting the Special Audit under Section 15(1) of The Provincial Auditor's Act and I'm prepared to do that at this time; also a subsequent letter that was sent by me to the Provincial Auditor with respect to the specific contract entered into by the Government of Manitoba and the October Partnership.

### ORAL QUESTIONS (cont'd)

#### Bill C-96

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

**MR. M. DOLIN:** My question is to the Minister of Finance. My understanding is that the committee studying Bill C-96 in Parliament has rejected cross-country hearings and this bill is somewhat of a threat to financing in post-secondary education and health.

I'm wondering if the Minister plans to make further representations on this matter.

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

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

Yes, I can confirm, regrettably, that the federal committee has met and has decided against holding cross-Canada hearings to deal with Bill C-96 and the impact that it would have on health and post-secondary education across this country.

The Government of Manitoba has taken the position that there should be cross-Canada hearings, as has been the case when other Federal-Provincial fiscal arrangements have been changed by Federal Governments in the past. It's regrettable that the federal committee, the majority on the committee, has decided not to do that.

In addition, I'm also informed that they have also limited representations to that Federal House Committee to only national organizations or Provincial Governments; and I know that that decision will be met with a lot of regret by organizations in Manitoba that had planned to make representations either here in Manitoba, if the committee would have chosen to come, or in Ottawa. But unfortunately the committee is limiting the presentations and also limiting the time, saying that all presentations have to be into the committee by June 15.

It's our intention to continue to ask the Federal Government for an extension and to delay that bill and not simply try to ram that bill through Parliament and affect health care and education in our province and other regions of Canada.

**MR. M. DOLIN:** A supplementary, Madam Speaker. I'd like to direct this to the Minister of Finance also.

Has the Minister consulted the other provinces and what is their position on this?

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

There hasn't been any further consultation with the provinces since the notice late last night of the decision

of the Federal House, but I know that other provinces have also asked that there be cross-Canada hearings and I know that other provinces, other Finance Ministers, other Ministers of Health and Education, indeed the Council of Education Ministers' in Canada, have taken a position in opposition to Bill C-96.

It would be our intention to consult with those other provinces today and within the next few days to see if we can all join in, in having that bill delayed in the Federal House and not simply rammed through as it presently seems to be being done by the Federal Government.

### Liability Insurance Premiums

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

**MR. G. DUCHARME:** Thank you, Madam Speaker. My question is to the Minister of Consumer and Corporate Affairs.

Has the Minister been informed of the resolution recently passed by the City of Brandon in January, 1986, expressing the concern of the horrendous increases in the cost of liability insurance premiums, as much as 300 percent; and also is the Minister informed of the City of Winnipeg increases that they had from 1985, where \$100 million coverage cost them \$200,000 and in 1986, \$20 million coverage cost them \$530,000.00?

**MADAM SPEAKER:** The Honourable Minister of Consumer and Corporate Affairs.

**HON. A. MACKLING:** Madam Speaker, I'm not aware of the particular references that the honourable member makes, but the area is a complex one and one where I'm sure he's not urging that we rush in with more regulation, as someone who believes that private industry should be open to compete.

I'm sure he feels that the industry is a self-regulatory one and that things will sort themselves out.

**MR. G. DUCHARME:** I'm going to fool the Minister, but will the government consider legislating a standard for determining liability and a punitive amount awarded by the courts?

**HON. A. MACKLING:** Madam Speaker, I'm sure that we're interested in all the regulatory proposals that come from anywhere, even those who say that they're opposed to regulation, generally.

**MR. G. DUCHARME:** A further supplement — (Interjection) — . . .

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

**MR. G. DUCHARME:** What is the Minister doing re the local problems of individuals such as the sporting organizations, the arts groups, small business and young entrepreneurs, as has been recently outlined in many articles in many papers, especially the Free Press of May 14, 1986, where there were three examples?

**HON. A. MACKLING:** Madam Speaker, if the honourable member has some specific proposals to

advance in respect to how we deal with all of those involved problems in that very important industry, of course I'll be interested in hearing them; and he'll have an opportunity during the course of Estimates to make those specific proposals, but I am interested in what ideas he has. — (Interjection) —

### Budworms

**MADAM SPEAKER:** Order please.  
The Honourable Member for Ellice.

**MR. H. SMITH:** Thank you, Madam Speaker.

My question is for the Minister of Natural Resources. In light of recent reports that northern forests may experience a massive infestation of jack pine budworms, could the Minister indicate what plans his department has to control this expected outbreak?

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

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

As has been reported in the media, and other people may be aware from other sources, we are facing a potentially serious outbreak of jack pine budworm. This is a situation that has been monitored by departmental staff from last year. They were doing egg counts in the fall and at the moment they are doing larval counts.

There are approximately 2 million hectares that are potentially damaged by this infestation and 24,000 hectares have been designated as areas which would be sprayed, if necessary.

There is the potential for the weather to be of tremendous help to us, given the cool, wet conditions at a particular point, when the larvae are developing, it might not be necessary for us to spray. But we have put in place the necessary equipment and we have acquired the necessary bacterial insecticide to cope with the infestation, if and when it does occur.

### Class Fund Deficit

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

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

I would like to direct my question to the Honourable Minister of Environment, Workplace Safety and Health. According to the Provincial Auditor's Report, where he states: "Non-compliance with Section 66(1) of The Workers Compensation Board Act in setting rates has resulted in the board incurring substantial deficits in the Class Fund. What is the deficit of the Class Fund for 1985?"

**MADAM SPEAKER:** The Honourable Minister of the Environment.

**HON. G. LECUYER:** Thank you, Madam Speaker.

I expect to be tabling the Annual Report of the Workers Compensation Board on Monday or Tuesday of next week. The specific answer I can provide at that time to the member, or the member will be able to derive it from that report at that time himself.

**MR. A. KOVNATS:** I'm disappointed, Madam Speaker. I would rather have the information now, but a supplementary question. One year ago, at the release of the previous Provincial Auditor's Report, the Minister advised he was going to correct the situation of the deficit. What has he done to correct this illegal activity?

**HON. G. LECUYER:** I could give the member a ballpark figure in terms of the Estimates. I would rather he gets the exact figures and that is why I said that the report was being tabled in a few days and, perhaps — well, I said Monday or Tuesday.

The member then asks, what are we doing to correct the deficit? One of the things, Madam Speaker, that we are in the process of doing is something which the opposition stated they would do during the last term, but never did tackle, and that is a review of The Compensation Board Act.

### Workers Compensation rates

**MADAM SPEAKER:** The Honourable Member for Niakwa on a supplementary.

**MR. A. KOVNATS:** Yes, Madam Speaker. Final supplementary, what percentage increase in the workers' compensation rates can we expect for 1986?

**HON. G. LECUYER:** Madam Speaker, the rates for 1986 were struck and announced widely. There was a press release to that effect sometime in the month of January. The general increase was 20 percent, Madam Speaker, and it is old news now.

### Elk ranching

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

**MR. A. DRIEDGER:** Thank you, Madam Speaker. My question is to the Minister of Natural Resources. Can the Minister indicate how many applications and inquiries have been received for elk ranching, and how many have been approved in the Province of Manitoba?

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

**HON. L. HARAPIAK:** Madam Speaker, I do not have the exact information. It is my recollection that between 75 and 100 applications have been received from people who are interested in elk ranching. There have not been any approvals from that lot.

### Public Schools Act

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

**MR. J. WALDING:** Madam Speaker, my question is to the Minister of Education. I wonder if the Minister can inform the House when Section 41(1)(q) of The Public Schools Act will be proclaimed.

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

**HON. J. STORIE:** Thank you, Madam Speaker, and I also want to thank the member for giving me notice that that question was coming.

I can indicate to the member that there are a number of reasons why that particular section of the act has not been proclaimed. The foremost, obviously, is the tremendous cost that school divisions are facing with respect to the special services that are to be provided to special needs children. The second reason for the delay has been the entire matter of the Charter of Rights and its implications for the rights of parents with respect to education.

So there are obviously legitimate concerns amongst the public, and equally legitimate concerns that face school boards with respect to those issues. I'm hopeful that together, as we proceed over the next few months and years, that those issues can be addressed in a way that is cost effective and practical and satisfactory to parents.

**MR. J. WALDING:** A supplementary to the same Minister, since this matter was first passed into law by this House I believe unanimously six years ago, can the Minister advise when it is likely to be proclaimed?

**HON. J. STORIE:** Yes, Madam Speaker, I can't advise when specifically it will be proclaimed, or whether in fact it will, given the two difficult problems that I have indicated that have to be resolved and obviously have to be resolved in a fashion that is equitable and yet practical.

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

### ORDERS OF THE DAY THRONE SPEECH DEBATE

**MADAM SPEAKER:** On the proposed motion by the Honourable Member for Ellice, standing in the name of the Honourable Minister of Natural Resources who has 19 minutes remaining, the Honourable Opposition House Leader.

**MR. G. MERCIER:** For the information of the House, Madam Speaker, if I could indicate that the Government House Leader and I have agreed that subsequent to the Minister of Natural Resources speaking two members on this side will speak for 20 minutes each followed by the Premier.

**MADAM SPEAKER:** Thank you for providing that information to the House.

The Honourable Minister of Natural Resources.

**HON. L. HARAPIAK:** Thank you, Madam Speaker. When time expired yesterday evening, I was in the process of addressing some of the issues that I felt were of particular importance in the portfolio that I hold, namely, Natural Resources. I had made reference to the issues related to water which were of particular interest to many of the members opposite. I was indicating that the matter had to be dealt with, not only in the context of water drainage, but of water management.



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I want to point out that there are many activities undertaken by the department, of an ongoing nature, to assist the various users. We have been working very closely with the conservation districts and, in particular, I want to draw attention to the Turtle River Conservation District which has been very effective in dealing with some of the drainage matters which were of prominence in the news recently. This is not to suggest that there aren't many other issues yet to be addressed, and we must continue in our efforts to have well-developed programs to take into account the various users.

We must ensure that, not only that water is removed from lands which people see as being lands to be utilized for agricultural purposes, but we must manage our water supply to ensure that there is an ample supply of water for domestic purposes, for industrial purposes, and for recreational purposes.

Forestry, as was mentioned earlier today, is an important concern for the department. We are undertaking a reforestation program and we are spending considerable effort and funds on the protection of forest from infestations, the infestation of the Dutch Elm disease and the jack pine budworm.

Wildlife issues, I want to mention briefly, are of a concern, specifically the question of game ranching which was raised by the Member for Emerson, and I look forward to discussion with members on all sides for input on this matter.

We take particular pride in the Department of Natural Resources as well with our parks: Atikaki Park being one of the newest and, of course, the facility at Hecla, and the facilities in the Whiteshell region which provide many hours of recreation for a majority of the people in Winnipeg. We look forward to maintenance of these parks and to development of these parks in an orderly manner to ensure that they are available for the enjoyment, not only of the current generations but generations to come.

I want to, in the limited time that I have left available to me, make reference to the economy of the Province of Manitoba. There are many indicators which support that the economy of the Province of Manitoba has done well, relative to other jurisdictions. This information comes by way of comment and support, not only from people in the public sector, but information from the private sector as well indicates that Manitoba's economy has performed well, and indicators are that it will perform well in the future years. This comes, in my view, as a result of a well-balanced, mixed economy.

We hear comments from time to time from members opposite that we do not have an appreciation for the role of the private sector. I want to state clearly that, from this side, I see a very definite role for the private sector. Indeed I, as a farmer, am not in any way opposed to the question of profit. Profit is essential in that sector, but I think we have to address the questions of profit by what means and profit to what end. As well, we have to recognize that there is a very valid role for the public sector, and we should not look at our economy as an arena in which there is room only for one or the other, but we should look for a cooperative effort between both the private and the public sectors. In that kind of an arena, with a cooperative effort, if we can have a balance between the two sectors, we will all be better for it.

Madam Speaker, I recall also the comments from some members opposite. There seemed to be some

discomfort with the reference to "vision" in the statements from this side of the House. I, frankly, am proud that the government has a vision; we should all have a vision. A vision is not something to be scorned. A vision is something to be held up as an ideal; a vision is something that we should strive for. Without a vision to guide us in our efforts, I think much of our effort and energy can be lost, if not misdirected. So I am pleased to say and I am pleased that the members opposite recognize, if they do not agree, that we do have a vision and that our efforts are guided. They are not random, scattered efforts that will change with the change in the wind.

I recognize also, Madam Speaker, that having been elected to office, the prime responsibility is to serve. I accept that responsibility, and I am sure that it is accepted by all members of this House. I suggest, as well, that we are here not only to serve, but we are here to lead. In order to lead, we have to demonstrate courage and, from time to time, project that image on different issues which will indicate to the public that we feel there is a direction that should be considered. Having put forth that vision, we will take direction from the public. So I want to make it clear that, in my role as an elected member in this House, I will not only serve the people of Manitoba but I will, to the extent that I am able, exercise leadership on the issues that face me.

I am confident, as well, that the leadership that is required for the government is projected well in the Throne Speech. The issues that are of importance to the future well-being of Manitoba are addressed in that document.

We, as an Assembly here, must as well show leadership to the people of Manitoba. We will, on this side, make every effort to apply the resources that are available, the financial resources, the human resource that are available to us, to meet the needs of Manitobans not only in this year but to try to ensure that those resources are available to future generations.

The Member for St. Norbert earlier today indicated that we are human and, as humans, we will err. I accept that statement, and I accept that it will be true for me as well in my tenure in this Assembly. But I say to you, Madam Speaker, that if, at the conclusion of my tenure in this Assembly, I am to be criticized, I would much rather be criticized for having tried and failed than to be criticized for not having tried at all.

I look forward, Madam Speaker, to the challenges facing me in this House. I look forward to working with all members of this House. I accept that there will be disagreement, and I am not bothered by that because I think, for democracy to function effectively, we require disagreement and we do require healthy and pointed criticism. So I expect and I challenge the members opposite to bring forth those matters of concern, and I will take the time that is necessary to discuss the issues that they see as being important.

So in conclusion, Madam Speaker, I want to indicate to the people of this Assembly and, through this Assembly, to the people of Manitoba that I look forward to being part of this government to address the issues which are of concern to the people of Manitoba.

Thank you.

**MADAM SPEAKER:** The Honourable Member for Turtle Mountain.

**MR. D. ROCAN:** Madam Speaker, it is my privilege to participate in debate for the first time and, if the term is still acceptable, I will identify this as my maiden speech.

I offer my congratulations, Madam Speaker, on your appointment, and wish you every success in carrying out your responsibilities in a fair and impartial manner.

My constituency of Turtle Mountain has been well represented by Brian Ransom. This whole House knows all too well how devoted and dedicated he has been to the service of his constituency and the province. Madam Speaker, this new challenge for me of serving the constituency of Turtle Mountain is made greater when I recognize the contributions of Brian Ransom.

I extend my congratulations to all new members of this House, and hope that we will all remember that we are here to represent those people who expressed their confidence in our ability to serve them.

Turtle Mountain recouvre 2,403 milles carrés et compte une population de 15,815 gens. Nous savons tous que notre province comprend plusieurs groupes ethniques. Je suis fier de représenter une circonscription électorale diversifiée. Presque tous les groupes ethniques sont représentés chez nous, et j'ai l'intention de tenir compte de leurs besoins et d'agir en fonction de ces besoins.

Sachez, cependant, que je n'ai aucune intention de négliger les besoins des 56 autres circonscriptions électorales que nous desservons. J'ai eu l'occasion d'apprendre le français mais je ne m'attends pas à ce que tous soient obligés de me comprendre. Je reconnais les droits de tous, sachant fort bien que je ne peux pas répondre aux exigences de tous.

Mes électeurs exigent qu'un gouvernement soit à l'écoute, qu'un gouvernement agisse de façon responsable. Le gouvernement élu actuellement a négligé d'écouter ses électeurs, d'être responsable vis-à-vis ses électeurs.

#### **(English Translation)**

My constituency of Turtle Mountain represents 2,403 square miles and a population of 15,815 people. What all of us must remember is that when we refer to the Manitoba mosaic we consider all our ethnic and cultural groups, and I am proud to represent a part of our province which is home to most of these groups. Ours is a province of great diversity, our people, our resources, our geography, and I am committed to understanding the needs of the constituents I serve and to act on their behalf.

To do this, one must not lose sight of the other 56 constituencies and their special needs. And while I am able to make this speech in French, I do not feel that you are compelled to listen in French. Therefore, we are obliged to recognize some limits in trying to be all things to all people. My constituents want a government that is responsive but responsible. This present administration cannot be proud of their performance in this regard.

I think most of you are aware that Turtle Mountain is located in the southwestern part of the province. It's nestled up against the North Dakota border and situated between the three friendly constituencies of Arthur on the west, Gladstone on the north, and Pembina on the east. So you can see, Madam Speaker, I am totally surrounded by friendly people.

Turtle Mountain has a particularly interesting geography which led to the particular type of development that this constituency has experienced. We have the Turtle Mountains on the southern edge of the constituency; the Tiger Hills on the northern edge; and the Pembina Hills on the eastern edge. The constituency is divided north and south by a correction line just south of No. 2 Highway which, by the way, is in deplorable shape. There are many beautiful and rather historic lakes in Turtle Mountain including Killarney, Pelican, Lorne, Louise, Rock and Swan Lakes and an abundance of similar lakes in the constituency of Turtle Mountain.

People such as LaVerendrye and Alexander Henry, Colonel Steele, Professor Hind and Pallisser all passed through Turtle Mountain constituency on their expeditions. The Métis, buffalo hunters from Fort Garry, used to travel to the plains between the Souris River and the Turtle Mountain to hunt buffalo there. I think it's significant that the last herd of buffalo disappeared from the plains of the Souris as recently as 1867 and the last buffalo disappeared approximately in 1885. A settlement began in that area about 1880 — which is, of course, just slightly more than 100 years ago — rather a short period of time in development particularly since I believe the first shipment of wheat from the Prairies to Great Britain was made in 1877, just 109 years ago. In that short space of time the area has been developed to the point now where we have a solid agricultural economy based on mixed farming with the traditional coarse grains and flax and special crops.

I think that it is particularly important to realize that the development of that area has always been related to the resources that were there. No resources, no development. This is something that my constituents understand. They understand that the level of spending of this socialist administration is greater than their resources can support. The people in my constituency, the self-employed farmers or businessman, realize this is a basic truth.

Madam Speaker, some of the government's election promises seem to be lingering somewhat. A promise of 9.5 cents a litre rollback on gas prices by April 2, 1986, but, Madam Speaker, they couldn't even get an investigator by April 2. This certainly impressed the farmers. Mind you, the price did fall by 9.5 cents, and I suppose the government would like to take credit for that. Shall we study the three-point Farm Aid to death or be aggressive like Saskatchewan and Alberta? What about the loan guarantees up to \$200,000 amortized over 25 years that would be made available to young farmers? Interest rates on loans at least 2 percent below bank rates. Eligibility requirements are not only too restrictive, but they are not clearly enunciated.

The Interest Rate Subsidy Program provides assistance by reducing interest rates by 4 percent to 3,400 farmers at a cost of \$6.2 million. It still doesn't help the beginning farmer in the Farm Start Program. Why should a farmer have to do all the paperwork required to get back a rebate on the fuel he uses, the same can be said for a fisherman. Who gets paid to do the paperwork — farmers or civil servants?

The government promises \$50 million in loans to help small business. I know of a small business that provides a whole range of service to a whole industry but is unable to get any help to ensure his own survival. What

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makes it worse is that this business is unique in Canada and is being looked at by the rest of the country.

Madam Speaker, the establishment of a Rural Development Fund is better understood now than it was during the Throne Speech since we've been able to create a job for Andy Anstett.

Madam Speaker, why should rural Manitoba continue to subsidize sports in the province when there is a whole bureaucracy devoted to the handling of amateur sports under the umbrella of the Manitoba Sports Federation? Not only does it appear to be wasteful and inefficient, but it is growing out of control. We tend always to lean towards professional sports and more subsidies which does not help the rural population.

Madam Speaker, the Canadian potash industry already has an abundance of supplies and yet this government is prepared to undertake a major investment in a potash mine when there is no market. There must be a better use for taxpayers' dollars.

Madam Speaker, the establishment of a fair share office to allow the NDP to "Stand up for Manitoba" is interesting. I constantly hear the members opposite appeal to the average Manitoban. Our problem is that we have permitted this province to become average. This side is interested in developing the best. Mediocrity and complacency are not acceptable. Fair share by definition is confrontational. Can we not work together with Ottawa in a more effective manner without declaring war on them?

Madam Speaker, the projected deficit to the year ending March 31, 1986, was \$554,100,000 representing an increase of \$57.9 million over the original estimates contained in an 1985-86 Budget introduced March 22, 1985. The total direct and guaranteed debt for December 31, 1985, was \$7.4 billion. Total debt has increased from December 31, 1984, of \$6.3 billion, an increase of \$1.07 billion in one year. The per capita debt has increased to \$6,828 for every individual in the province. Manitoba citizens now owe \$799 more in debt in just one year. This money will probably have to come from higher taxes to pay off interest on debt and total debt. As of December 31, 1985, the total government programming debt was \$3.3 billion. As of March 31, 1982, the Progressive Conservative Government debt stood at \$1.3 billion. A debt accumulated after 112 years of existence as a province. In the five years of NDP Government, this debt nearly tripled and has resulted in Manitoba having the lowest credit rating of all western provinces. Approximately 4.5 points of the total sales tax of the 6 goes towards paying the interest costs on our provincial debt.

Mr. Deputy Speaker, this is the first time a Third Quarterly Report has been issued in April; coincidentally, during the Easter break. Traditionally, reports have been released in February. The Second Quarterly Report was released during the Christmas season and did not provide an estimate of the revised deficit. This was the first time a projection had never been given. It is ironic that a deficit figure can be given two weeks after an election period but not during it.

Mr. Deputy Speaker, on April 1, 1986, a Special Warrant was passed for \$1.2 billion by Order-in-Council. The Cabinet passing this huge sum has removed itself from being accountable in the Legislature and to the people of Manitoba for its spending. Since the last Budget, the government has issued five Special Warrants which total \$1,333,478,100.00.

Mr. Deputy Speaker, the picture is not quite as rosy as the NDP would like the public to believe.

New private investment is expected to increase by 8.8 percent in 1986, down from a 13 percent increase in 1985, a 4.2 percent decrease. Manitoba is predicted to have the fourth lowest private investment in Canada in 1986.

Il y a 22 000 chômeurs de plus aujourd'hui qu'il y en avait dans le dernier mois du gouvernement Progressiste-Conservateur. Près d'un dixième de tous les Manitobains qui veulent travailler ne peuvent pas trouver un emploi. Depuis l'arrivée au pouvoir du gouvernement Pawley, le nombre de chômeurs a oscillé autour de 40 000 personnes. Il y a autant de chômeurs aujourd'hui qu'il y en avait pendant la première année du gouvernement Pawley.

#### (English Translation)

Madam Speaker, there are 22,000 more people unemployed than there were in the last month of a Progressive Conservative Government. Nearly one out of every 10 Manitobans wanting to work cannot find a job. As a percentage of total unemployed, Manitoba's youth unemployment was the second highest in the country in 1985. Since the Pawley administration took office, unemployment has remained in the 40,000 range. There are just as many people unemployed today as there were in the Pawley government's first year of office.

While the national number of employed increased by 4 percent last year, the provincial number of employed increased by only 2.9 percent. While Manitoba ranked second for unemployment among Canadians, with the NDP taking full credit, Manitoba traditionally ranked second or third for the lowest levels of unemployment. In comparison between the last few months, Manitoba's unemployment rate increased by .2 percent while the Canadian rate decreased by .2 percent.

Mr. Deputy Speaker, the NDP has not lived up to its promise to move towards 90 percent funding of school costs. Many boards will have to raise property taxes again to cover cost increases, a direct contradiction to the government's 1981 promise that the larger share of education funding should come from such growth taxes and income and sales tax rather than property taxes. Serious inequities will result.

Le NDP, a aussi démontré la faiblesse de son engagement et un manque de direction flagrant dans le domaine du financement des écoles privées. Il faut noter que cette question avait été soigneusement écartée du programme du congrès de leur parti avant les élections. Fournir la même augmentation de 130 par élève aux écoles privées que celle reçue par le système d'éducation publique, qui bénéficie d'un montant additionnel de 1,1 million de dollars cette année, est une promesse qui est loin de satisfaire la demande.

#### (English Translation)

The NDP have also shown a lack of commitment and decisive direction in the area of private school funding (it was conspicuously avoided during their party convention platform before the election). Its promise to provide the same \$130 per pupil grant increase it is giving to the public school system — an additional \$1.1 million this year — falls short of demand.

Mr. Deputy Speaker, the objectives of public automobile insurance should consist of providing universal insurance coverage at a rate which will support the benefits provided. Profits should be returned to the shareholders through reduction to the taxpayers of the insurance system. In Saskatchewan, an analysis of potential error, margin in claims would exceed forecast claims by more than 11 percent. Premiums were lowered by the Saskatchewan Rate Review Commission when its surplus reached \$60 million.

Je me dois de questionner le surplus de 71 millions de dollars de la Société d'assurance publique du Manitoba. On perçoit des automobilistes des primes trop élevées pour accumuler des réserves excessives. La Société d'assurance a clairement contredit son mandat qui voulait fournir aux Manitobains de l'assurance au prix le plus bas possible.

**(English Translation)**

One is forced to be critical of MPIC's \$71 million surplus — motorists are being charged unduly high premiums to generate excessive reserves. It has clearly contradicted its own mandate to provide Manitobans with the lowest possible cost of insurance.

Le système d'assurance-récolte impose des conditions et des restrictions irréalistes aux agriculteurs avant de leur verser des paiements. Les mécanismes ad hoc d'évaluation des dommages doivent devenir des programmes d'assurance-risque pleinement financés et sûrs. Ces derniers permettraient à tout producteur de souscrire une assurance supplémentaire à un taux beaucoup plus élevé que celui des primes partagées.

**(English Translation)**

The crop insurance system imposes unrealistic expectations, restrictions and qualifications before payment is awarded. Ad hoc damage assessment schemes need to be converted into fully funded, actuarially sound, risk insurance programs which allow any producer to buy additional insurance at a rate considerably higher than the shared premium.

Mr. Deputy Speaker, no province-wide program is available for maintenance of water quality in municipal water supplies. There is an unsatisfied demand for long-range planning for municipal water and sewer management.

Les municipalités rurales ne peuvent partager les coûts d'une assurance responsabilité civile. Le gouvernement devrait songer à l'établissement d'une commission d'enquête qui étudierait la question des primes exorbitantes perçues pour l'assurance responsabilité civile. Il devrait aussi songer à fixer une limite aux montants accordés par les tribunaux pour les différents domaines de responsabilité civile.

**(English Translation)**

Rural municipalities are unable to bear the costs of public liability insurance. The government should consider the establishment of a commission of inquiry to look into exorbitant public liability premiums and perhaps establish ceilings for court awards in various areas of public liability.

Mr. Deputy Speaker, of the 106 people in senior officer levels, 76 of them have been appointed since the NDP

took office. In total, the government has increased from 68 senior positions in 1980 to 106 positions in 1985, an increase of 55.9 percent. On a per capita basis, comparing Manitoba to other provinces, Manitoba has not, however, increased the ratio of male to female senior officials significantly in the past 10 years.

Mr. Deputy Speaker, the Jobs Fund as a political tool has proven effective as an exercise in public relations but a failure in terms of substantial impact on unemployment. Long-term jobs are not being created involving the private sector. The government should be helping to create a dynamic, expanding private sector and focus more on trying to manage its own finances. Every job created through the Jobs Fund cost us \$30,640.00.

Mr. Deputy Speaker, another example of the government's confrontational approach. The payroll tax was announced provincially without any prior consultation with the Federal Government and certainly dampened already difficult federal-provincial relations. The Federal Government's refusal to collect the tax means the province must spend \$1 million a year to collect the tax on its own.

As well as a hidden tax, it is a tax on employment and does not fit in at a time when the biggest issue is unemployment. As a burden to the small businessman, it is a definite disincentive to any new private investment coming into the province. While the province gives grants to municipalities and schools to defray costs of the tax, it only results in more inequity in the tax system.

Chaque année au Canada, plus de 100 000 personnes âgées, et parmi elles de nombreuses femmes âgées de plus de 75 ans, subissent des abus physiques, psychologiques et financiers.

**(English Translation)**

Each year in Canada, more than 100,000 elderly people in Canada, many of them women over 75, are subjected to physical, psychological and financial abuse each year.

It is estimated within six years there will be 144,200 elderly Manitobans and by the year 2001, Manitoba will be home to 150,500 people age 65 and over. If nothing changes, what tomorrow's senior citizens face is a network of government services unable to meet their needs and a consumer society that gives all its attention to youth. Governments at all levels must look at finding more ways to help senior citizens maintain an independent life, longer.

Mr. Deputy Speaker, I believe we have in the constituency of Turtle Mountain one of the best potentials for tourism development. The numerous lakes that sadly need attention could be developed and become major tourist attractions, as was previously planned and then stopped at Pelican lake. My constituents are still wondering what happened. Maybe this government is prepared to confront the people of Ninette and the many hundreds of cottage owners and explain why this government cancelled a project of this importance. They have been waiting for an explanation for four years. Could the Minister responsible for Natural Resources commit to providing an explanation for the delay in getting this long-awaited project started and when we can expect the start-up?

Mr. Deputy Speaker, I wish to restate my commitment to serve the constituents of Turtle Mountain to the best of my ability. I will present their concerns to this House with the utmost diligence. My wish is that all members of the House are prepared to work towards the improvement of our future in this province of ours.

Thank you.

**MR. DEPUTY SPEAKER, C. Santos:** As agreed upon between the two House Leaders and with leave of the House, the next speaker will also be from the rank of the Opposition.

The Member for Springfield.

**MR. G. ROCH:** Thank you, Mr. Deputy Speaker.

I would like to begin my first speech in this Chamber by extending to you, as well as Madam Speaker, my best wishes in your new positions as Speaker and Deputy Speaker respectively of this House.

It is my sincerest wish and hope that Madam Speaker will preside over the proceedings of this House in a fair and impartial manner and that in time she will earn the respect and confidence of all of its members.

I would also like to welcome and congratulate the newly-elected members, most of whom sit on this side of the House, but all of whom will, nevertheless, add fresh ideas and vitality to this chamber of democracy. I also wish to congratulate the newly-appointed Ministers and wish them well in their new duties. I am fully aware that theirs is an arduous and demanding task, but rest assured that we, on this side of the House, with the co-operation of some of the members opposite, will do our utmost to relieve them of their burden in the shortest possible time.

I would like to congratulate and extend my best wishes, as well, to all the other members and especially to those, both new and experienced, who sit with me in the Progressive Conservative caucus — the government-in-waiting. I also want to thank the good people of Springfield for having elected me as their representative. I intend to be a full-time MLA and will do my very best to represent their views and concerns fairly and effectively. It is, indeed, an honour and a privilege for me to sit here as their democratically elected representative.

As many of you may or may not be aware, Springfield is a very diverse riding, not only in terms of geography, but in terms of ethnic and occupational backgrounds as well, a veritable mosaic of Manitoba. One may start at one end of the riding in a completely urban setting, and then go on to semi-urban, small town, rural, farmland, bush land, forestry, and parkland settings with a multitude of beautiful lakes. The ethnic backgrounds of its residents also represent a virtual cross section of Manitobans of many different ancestries and cultures. As well, the variety of occupational backgrounds of the people of Springfield — we have working people, farmers, professionals, business people, students, pensioners, etc. — all of this adds to its reputation of being as close as an area can get to being a mini-version of Manitoba as a whole.

This is no doubt why, Mr. Deputy Speaker, the old saying developed that "as Springfield goes, so does the Province". Some of you may be thinking "well, that's not the way it happened this time". Well, I say

maybe yes, maybe no; let us examine the results. In Springfield, as we are all aware, it was a very close race, closer than Swan River even; one of the closest in Manitoba. But then, if we look at the provincial results in terms of popular vote, which more accurately reflected the wishes of Manitobans, we see that it was a virtual dead heat between the two major parties. Therefore, that mosaic we call Springfield did, more or less, almost reflect the provincial results. I say "almost," Mr. Deputy Speaker, because this time, the only exception was that the people of Springfield were somewhat like Panasonic — slightly ahead of their time. In other words, Mr. Deputy Speaker, they provided Manitoba with a preview of what will happen in a few short years. This inkling of the future may not bode well for the members opposite, but it certainly bodes well for the people of Manitoba. Therefore, the foresight of the people of Springfield will once again prove the old adage "as Springfield goes, so does the Province" to be true and correct — much to the chagrin of the members opposite.

The people of Springfield, as did over 55 percent of Manitobans, said that they had had enough of an ever-growing deficit, which amounts to almost \$7,000 for every woman, man and child in this province. They said they wanted accountability in the province's finances — it is ironic that a deficit figure can be given two weeks after an election period and not during it — and that they wanted the spending of their tax dollars to be scrutinized and approved openly in the Legislature, and not by so-called Special Warrants which total over \$1.3 billion to date. They said they wanted an investment climate where entrepreneurs would feel comfortable in creating real, permanent jobs, and not one in which job creation is penalized. They also said that they no longer wanted to be represented by a party that governed the only province in Canada where consumer and business bankruptcies increased in 1985. And, Mr. Deputy Speaker, when one combines farm bankruptcies to the aforementioned bankruptcies, this means that there has been one bankruptcy per day for every day that the NDP has been in government — a very dismal record for a party which so sanctimoniously proclaimed in 1981 that no such bankruptcies would ever occur under an NDP Government.

The people of Springfield were also concerned, as are most other Manitobans, Mr. Deputy Speaker, about the very real crisis which exists in agriculture today — the backbone of our economy and, indeed, our country. Yet this government provides only rhetoric rather than real and meaningful aid to the farm community. Proof of this lies in the fact that so-called assistance from MACC is unavailable to practically 90 percent of our farmers due to overly restrictive eligibility requirements, not to mention a crop insurance system that imposes unrealistic expectations, restrictions and qualifications before any payments are awarded. And these are but a couple of examples, Mr. Deputy Speaker, of the "non-aid" that our farmers receive from this government.

The people of Springfield also expressed concern, Mr. Deputy Speaker, given the track record that this and previous NDP governments have had in energy management, at the prospect of having their hydro bills double and even triple by 1992-93. I, along with many other Manitobans, also share that concern, for it is a

very real and fearful one which, if worse comes to worse, would be irreversible.

Having sat on the school board of the Seine River School Division for almost six years now, I am also aware that this government has not lived up to its promise to move toward 90 percent funding of school costs, thereby forcing school boards to raise property taxes again and again to cover cost increases, while barely maintaining essential programs and services. Yet, the former Minister of Education had the audacity to promise, during the election campaign, that a re-elected NDP Government would build day care centres in Manitoba schools. This begs the question, Mr. Deputy Speaker, are schools in the business of day care or in the business of education? I say that they are there to educate, and I would advise this government to spend its limited education dollars on education before they start diversifying.

The people of Springfield are also fed up and angry at this government because of the social divisiveness which they caused some time ago, not only in Springfield, but throughout this great, normally harmonious province of ours. The tears to our social fabric will take time to mend, but mend they will, for despite their variety in ethnic backgrounds, Mr. Deputy Speaker, the majority of people in Springfield, as most other Manitobans, consider themselves to be Canadians first — and not hyphenated Canadians either! Therefore, Mr. Deputy Speaker, let us hope that this government has learned its lesson, and learned it well, and that never again will they allow the turmoil and divisiveness that recently embroiled this great province of ours to ever happen again. In this, as in so many other areas, education and consultation are so much better than legislation and confrontation.

Monsieur Député Orateur, en étant un Canadien et un Manitobain d'expression française, permettez-moi de dire quelques mots dans ma langue maternelle. J'aimerais vous dire pour commencer que je suis fier d'être le premier député pour Springfield qui vient de Lorette, et je suis fier aussi que le peuple de Springfield m'ont choisi à cause qu'ils ont décidé que j'étais capable de les représenter, non seulement eux, Monsieur Député Orateur, mais aussi leur point de vue, d'un bout de la circonscription à l'autre, peu importe mon lignage ou ma place de résidence. Les résidents de Springfield ont indiqué qu'ils désiraient avoir un représentant et un gouvernement qui les écouterait et essaierait sincèrement de répondre, autant que possible, non seulement à leurs désirs, mais aussi à leurs aspirations légitimes et diverses. Et, Monsieur Député Orateur, comme je l'ai dit tout à l'heure en anglais, la circonscription de Springfield est, en effet, une circonscription très diverse; une circonscription qui n'est pas facile à représenter, on pourrait même dire difficile à représenter à cause de sa diversité en termes de géographie, et de plusieurs différentes cultures, autant que la variété d'occupations et professions de ses résidents.

Mais, Monsieur Député Orateur, c'est un défi que je n'ai pas peur d'entreprendre, c'est un défi qui, en réalité, m'excite, non seulement à cause de la nouveauté d'être un député dans ce palais législatif, mais aussi parce que le privilège d'être capable de contribuer aux délibérations de notre système démocratique dans une

capacité comme représentant élu par le peuple n'est accordé qu'à quelques personnes.

D'abord, Monsieur Orateur, c'est une responsabilité qu'on doit prendre sérieusement, car c'est une responsabilité sérieuse, et, comme le disait l'autre soir l'honorable député de Burrows, c'est à nous, aussi, la responsabilité de remettre la profession de politicien, malgré nos différences d'opinion et de philosophie, sur un plateau plus élevé qui regagnera le respect de la forte majorité de la population. J'ai confiance que, malgré nos échanges parfois qui sont, disons très énergique, que nous serons capables d'accomplir cette tâche.

Mr. Deputy Speaker, I would like to reiterate a point which I just made in French and that point is that it behooves us as legislators no matter how strong our differences of opinion and philosophy may be to strive once again to elevate the profession of a politician to one which is held in respect and high esteem by the majority of the public at large. As you yourself said the other night and very aptly pointed out — and I commend you having made it quite clear — that your comments are directed to all members of this House, that the responsibility for achieving this desirable goal rests upon all of us.

Unfortunately, Mr. Deputy Speaker, when a government appoints a defeated candidate who all of a sudden becomes a self-proclaimed consultant overnight to write reports of questionable value for an unreasonable and ridiculously high fee, it not only reflects unfavourably upon all politicians, but it especially demeans those implicitly involved, namely the appointers and the appointee. Not only was this an insult to Manitobans in general, but it was especially a slap in the face to the people of Springfield who had clearly indicated whom they wanted to handle their public affairs and whom they did not. It is regrettable, Mr. Deputy Speaker, that once again this government has chosen not to listen. However, this decision along with the conduct of some members of its Executive Council will come back to haunt them for many years to come. That you can be assured of, Mr. Deputy Speaker.

There are so many other issues and items of concern that I could dwell on, but given the fact that this House will be sitting for many months to come, I will have ample opportunity to comment on, constructively criticize, and offer advice on issues which are important to the people of Springfield as well as to me personally. Suffice it to say that unlike some members opposite, I did not feel obliged to use up my full 40 minutes simply because I am allowed to speak for 40 minutes.

Therefore let me conclude by stating that what this government is offering Manitoba is not a vision for the future but rather a deceptive hallucination. Rather than improve our quality of life, every day that this government remains in power the quality of life in our province not only deteriorates but so does the prospect of a promising future for our children and our grandchildren. Some vision, some dream, some would say it is more like a nightmare, both socially and fiscally, as we'll all find out tomorrow night. But no matter who they try to blame, Mr. Deputy Speaker, there comes a time when the members opposite must face the facts and realize that they and no one else are responsible for the mess that our province is in today.

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Mr. Deputy Speaker, that is why I will support my leader and my colleagues in doing everything possible to bring down this government at the earliest possible time. Let me state as well, Mr. Deputy Speaker, that anyone who sits on this side of the House but consistently supports and votes with this government will eventually and ultimately pay the price because, Mr. Deputy Speaker, Manitobans deserve better. We, in the Progressive Conservative Caucus, the government in waiting, can and will provide Manitobans with a competent, caring and responsible government sooner than the members opposite think or hope.

Mr. Deputy Speaker, I thank you for your indulgence and for having had the opportunity to respond to the Speech from the Throne. Mes amis, merci beaucoup.

**MR. DEPUTY SPEAKER:** The Honourable First Minister and Premier of the province.

**HON. H. PAWLEY:** Thank you very much, Mr. Deputy Speaker.

I would first like to take this opportunity to congratulate the Mover and Seconder, the members for the constituency of Kildonan and for Ellice for the very fine presentations that they undertook in this House. Insofar as presenting the position of the New Democratic Party, I think their presentation in this House demonstrates that those two members will indeed contribute in a very meaningful way to the future direction insofar as the improvement of quality of life in Manitoba.

Secondly, I would like to take this opportunity and I would be remiss if I did not congratulate the Lieutenant-Governor for her excellent performance throughout the five years of her service to the people of the Province of Manitoba representing Her Majesty. She has certainly fulfilled her task in an effective way, in a way that demonstrated her closeness to the people of the Province of Manitoba and we all regret that her day of retirement is nearing.

I would like to also at this opportunity welcome all new members to this Chamber, both on the opposition side and on the government side. I can recall in 1969 the thrill of being a new member in this Chamber and of being able to participate in the proceedings of that first fall sitting in 1969 under the leadership of then Premier Ed Schreyer when he embarked upon a course of action by way of economic and social and human progress that I think most Manitobans are proud of.

I want to also, Madam Speaker, say how delighted I am as leader of the New Democratic Party and as Premier of the Province of Manitoba to have joined to my caucus seven top-notch new members, new members that will participate in the assurance that we will provide good government to Manitobans. Each new member brings with him or her added talent, skill and energy that will ensure, Madam Speaker, that this government is one that will gain the confidence of the electorate of the Province of Manitoba throughout its four years and beyond that period of time.

Madam Speaker, I also would like to express my congratulations to the Member for River Heights — the first woman leader of a political party in this Chamber. I think what is most telling, though, on the part of the Member for River Heights, she has indicated

that she intends to, unlike the official opposition, bring constructive criticism into this Chamber; that rather than being one who is constantly carping, as indeed the official Opposition have on generally petty and insignificant matters, that she intends to deal with the matters of substance, that she is prepared to bring constructive criticism into this Chamber. So, Madam Speaker, I look forward to that kind of opposition from the Leader of the Liberal Party, the Member for River Heights. She may very well put to shame the official Opposition in this Chamber.

I would be remiss, Madam Speaker, if I did not welcome to this Chamber the Pages that in only a few short days have learned their task well. I note they have some difficulty with some of the pronunciation of some of the members in this Chamber, but they are learning very very quickly and we appreciate very much the work of the Pages in the Chamber.

As well, I want to certainly express my appreciation to all those who work at the table in order to ensure the greater effective delivery of services to members in this Chamber so that we can carry on our responsibilities as Members of the Legislature.

Now, Madam Speaker, I would like to recognize you. It is not going to be an easy task for you to preside in this Chamber as Speaker. At times, you will have many difficult challenges to overcome but, Madam Speaker, I know from my previous experience with you that you are one that performs in a fair and a reasonable manner. I have no doubt that you will receive from all members of this Chamber the cooperation, the respect that is traditionally granted to a Speaker in this Chamber, Madam Speaker. We join with anticipation in the weeks, months and years ahead as to the service you provide to the people of Manitoba as Speaker of this Chamber.

March 18 was an important date insofar as Manitoba was concerned. On March 18, the people of the Province of Manitoba spoke clearly as to their desire that they have a government that is prepared to articulate vision, not a party that is frozen in past rhetoric or cynicism or bitterness, but a party that enjoys a vision, a vision for the future of Manitobans and the improvement of the human condition of Manitobans.

Madam Speaker, honourable members have ridiculed the fact that in our Throne Speech we have mentioned the word "vision," I believe — what did they say? — 21 times. Madam Speaker, I make no apology for discussing with Manitobans a vision that we can all share in and that we can all strive to attain. Better that, Madam Speaker, than the blindness of direction that is demonstrated day by day by honourable members in the Opposition.

The road during the next four years will be a difficult one for all Manitobans. There are many problems that are confronting Manitobans, whether they be the fishermen in the lakes of Northern Manitoba; whether they be the workers in the steel plants of this province; whether they be farmers that are attempting to till their land; whether they be professional or small businesspeople, there are challenges.

But, Madam Speaker, Manitobans have their priorities. The priorities of Manitobans are the priorities of this New Democratic Party Government in Manitoba. Those priorities, Madam Speaker, are jobs and the creation of jobs and the assurance that more and more

people can continue to enjoy meaningful employment in contributing to the betterment of the province as a whole.

Secondly, Madam Speaker, the priority of this government is that we ensure, by every means possible within the ability that is available to us, that we improve the lot of the farming community in Manitoba and the rural communities.

Thirdly, Madam Speaker, we are not afraid to talk and deal with greater fairness and equity insofar as Manitobans are concerned. Honourable members talk about fairness, but they only talk. They don't mean to implement fairness. Madam Speaker, the improvement of the quality of life is fundamental to the direction to which this government will proceed.

Fourthly, Manitobans want a government that will not be a lackey of any other government. They want a government that will be concerned centrally and fundamentally and principally at all times with the interests of the people of the Province of Manitoba and will not sell out Manitobans because, unlike the Opposition, they have an allegiance to a political party in Ottawa and are afraid to speak out on behalf of Manitobans in case they embarrass their political cousins in Ottawa.

Jobs, economic development, farmers, the rural communities, the improvement of the quality of life, equity and fairness and the ways of society, and advancing the interests of Manitobans, Madam Speaker, it is those reasons that this New Democratic Party was re-elected on March 18, 1986. We are proud and we are humbled by that vote of confidence from the people of the Province of Manitoba. Madam Speaker, we accept that mandate, and we will proceed to carry out that mandate on behalf of the people of this province.

Madam Speaker, now I think of events over the past two years, when I heard honourable members — I say this to the new members of this Chamber, and I wish they could have sat in this Chamber during the past 18 months or two years and have witnessed their front bench. I speak to the Honourable Member for Portage and the Honourable Member for Ste. Rose and the Honourable Member for Virden — and I'll be coming to the Honourable Member for Virden a little later in my address — the Honourable Member for Brandon West. I wish, Madam Speaker, that they could have heard the many times that honourable members across the way arrogantly and boisterously predicted that this government would be a one-term government, that the days of this government were numbered, and that we would be swept out overwhelmingly by the tremendous political forces across the way.

Madam Speaker, in case the new members have any doubt of those forecasts and projections by the front bench, I suggest they read the Hansards of 1984 and 1985 to ascertain the extent of miscalculation on the part of the honourable members across the way, because Manitobans rejected emphatically — in fact, the Leader of the Opposition, when he assumed some responsibility of leadership of his party, had a 35 percent lead in the polls over this side. We know that; he knows that.

In 18 months, the Leader of the Opposition and his groups blew that lead, blew it completely. Why, Madam Speaker? Because they proceeded on the course of action over the last 18 months that they've already

started to pursue during this two-month period: a bankruptcy of ideas, no direction insofar as their intent, no outlining of programs and policies, bankruptcy and ineffectiveness in the delivery of their proposals.

It was the Leader of the Opposition who is now laughing that blew a 35 percent lead by the Conservative Party in the Province of Manitoba in 18 months. I doubt whether that has happened anywhere else in Canada by any other party, that the party could have blown a 35 percent lead in the polls in 18 months.

Manitobans had two choices. They had the choice, Madam Speaker, of those who sit across the way and the services that members across the way offered to Manitobans during the campaign and the period leading up to the campaign. They had the offer of services from those who sit on this side of the Chamber. Madam Speaker, the people of the Province of Manitoba chose as they did on March 18, and we will carry out our responsibilities.

I want to make this very clear. Unlike suggestions by honourable members across the way, I respect the wisdom of Manitobans. I respect the judgment of Manitobans. Manitobans have an awful lot of common sense and, unlike what the Leader of the Opposition and his colleagues have suggested, Manitobans are not naive. They were not tricked on March 18. They were not fooled because you do not fool Manitobans in a 35-day campaign. That is, unfortunately, on the part of the Leader of the Opposition and all the Conservative members across the way, putting down the intelligence of the ordinary Manitoban.

Madam Speaker, the honourable members don't like to hear that simple lesson. I have mentioned this at different times in the past four years, and I have no problem at again repeating it because I know honourable members, though I may advise them, are not going to accept my advice and, because of that, they will continue to sit on the Opposition and we will sit on the government side. The people of this province chose a government, a government that is willing and prepared to deal with the real issues of Manitobans, a government that listens.

During the campaign, the Tories tried to pretend, Madam Speaker, that they were a brand new party. They were the government-in-waiting, the new Conservatives they described themselves as, the Filmon Party. They wanted to forget about the four years leading up to the election. Apparently, what I understand, Decima, which is the polling company that works for the Conservative Party, provided the Leader of the Opposition and his little election planning committee with some advice — oh, you can't take on the present government of Manitoba frontally, forget the 1977 approach because the New Democratic Party of Manitoba has achieved too much satisfaction rating insofar as Manitobans are concerned.

I know that to be the case from our own polling. This government enjoyed a high satisfaction rating; this government enjoyed a satisfaction rating far in excess of the Tories. Whether it was job creation; whether it was dealing with the farm issues of this province; whether it was working on behalf of the small business people; whether it was helping the retired in this province, this government's satisfaction rating was much higher than that of the Conservative Party.

So what did the remnants of the Big Blue Machine, Mr. Lashinger and Decima polling and all that, advise



honourable members? Try to mush the difference, disguise your real party, they said. Get away from the Sterling Lyon sort of hook that surrounds your neck, monkey around your neck. Get away from that, pretend you are entirely different, and you might fool Manitobans into thinking that you're a brand new party. In fact, they suggested you might, Madam Speaker, make Manitobans think that you are New Democrats; that's what they had hoped to achieve. Madam Speaker . . . — (Interjection) — Well, I say to the Member for Sturgeon Creek, they campaigned, not as Conservatives; they disguised themselves as New Democrats during the 35-day period, thinking they could be elected by trickery to the halls of this Chamber.

Now, Madam Speaker, I want to give credit where credit is due. It was a clever strategy. It was not a strategy recklessly thought out; it was thought out carefully. In fact, it may have even worked out in this constituency of Springfield, Madam Speaker. It may have even worked out in the constituency of Springfield. But, Madam Speaker, it failed elsewhere because the people of this Province of Manitoba see through trickery, see through those kinds of tactics because the people of this province want their political leadership to stand for that which they believe in and not to attempt to disguise the real views, not try to hide the real agendas.

Now, Madam Speaker, Mr. Crosbie, some two to three years ago, said to Manitobans — I wish the Member for Sturgeon Creek would listen to this comment. The present Minister of Justice in Ottawa had some good advice that he offered to the Conservative Party some two to three years ago. He said never, never, never tell the people of Canada what the Conservative Party really believes in because if you do we will never never be elected. That was pretty good advice from Mr. Crosbie. Well, the typical Tory strategy, Madam Speaker, is to tell the people of the province what they want to hear and, when the voting is over, you are going to get anything that you want.

We have noticed, Madam Speaker, that since the Session has started, the Leader of the Opposition has been on his feet about 40 times during question period. Has there been any questions on agriculture? At the most, there has been one if there has been that.

**A MEMBER:** Virden had a couple.

**HON. H. PAWLEY:** Virden maybe had one or two. During the Throne Speech Debate, the Leader of the Opposition said, on Page 30 of Hansard, May 12, "All of us here have been looking forward to this opportunity to once again engage in debate and discussion about the issues and priorities that are important to the people of Manitoba." Those were the emphatic words of the Leader of the Opposition on Monday, May 12, 1986, Page reference 30. Well, Madam Speaker, we are still waiting; we are waiting for that discussion about jobs and the economy, about agriculture. They have the nerve, Madam Speaker, to complain that the Throne Speech is based upon commitments made during the election campaign. In fact, I was most surprised to read a lot of commentary: well, all that's in the Throne Speech is election commitments. Well, Madam Speaker, I am proud of the fact that this government, elected on the basis of a trust for the people of the Province

of Manitoba, places as its first priority the commitments it made to Manitoba and not following the route that I have noticed some other Conservative Governments have followed in this country.

Madam Speaker, I wonder again if the members of the backbench, that are gathered here this afternoon, what they must have thought when they suggested, during the campaign, and it must have come as quite a shock to them as Conservatives, that they were making huge promises, hundreds of millions of dollars of promises during the campaign, at the same time as they were promising to reduce the deficit, cut taxes and increase spending. Madam Speaker, I would like to know whether the opposition members think that they have some magician that can wave a wand and do all three things at the same time.

They have the nerve, Madam Speaker, to discuss honesty in this Chamber, honesty. They were going to reduce the deficit, reduce taxes and increase spending by some hundreds of millions of dollars in the Province of Manitoba, and they expected Manitobans to place their trust in them. And they are surprised, Madam Speaker, that they lost any credibility they might have had. They are surprised they lost 35 percentage points in the space of 18 months in the polls. With that kind of tactics, Madam Speaker, I am surprised they didn't lose 40 percent or 45 percent, that was only 35 percent loss in 18 months.

**A MEMBER:** Next time.

**HON. H. PAWLEY:** The next time I think it will be a further 5 or 6 or 10 percent loss in the polls. Madam Speaker, they were the ones that made expensive promises far outdistancing any financial cost of the promises made on this side of the Chamber. Manitobans saw through them and just as they failed in opposition, they for sure would have failed in government with the type of promises that they offered to Manitobans leading up to March 18th.

Manitobans chose the kind of government they want; a government that is caring; a government that listens; a government that is prepared to be responsible; a government that is prepared to be straightforward; a government that is prepared — yes, Madam Speaker — to be open with Manitobans. Manitobans do not like to be told that they've been tricked; that they are naive; that they are ignorant. Manitobans have respect for democracy unlike members across the way.

Madam Speaker, as I indicated a few moments ago, I was first elected in 1969 and I recall the speech of one Walter Weir, defeated Conservative Premier in the Session immediately following the 1969 election. Mr. Weir said it had been a huge mistake by Manitobans — Manitobans were dumb, he inferred. I remember 1974 in the Chamber that, oh yes, Walter Weir said "Manitobans haven't yet found out what a social democrat is." He said that it would be just a matter of time till we would see a termination of the social democratic government in the Province of Manitoba.

Sidney Spivak in 1974 took basically the same position as the present Leader of the Opposition is taking. Sid Spivak suggested that somehow or other the New Democratic Party, rather than winning the election in 1973 had lost the election in 1973. Do those

words sound familiar to you, Madam Speaker? Let me say that in 1977 we accepted the fact that we had been defeated. We respected the will of Manitobans.

Madam Speaker, let me just tell the Honourable Member for Emerson that period 1977-1981 was the best period in the history of the New Democratic Party. We won more converts to the cause of social democracy, thanks to honourable members across the way, than any other time previous to that.

In 1982, after the election of November, 1981, I remember the then Leader of the Opposition, the former Premier of this province, referring to the then New Democratic Party Government of Manitoba, as being a transition government, a temporary government, said he, and suggested it would be one-term government. Of course, he knew something about one-term government, Madam Speaker.

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

**HON. H. PAWLEY:** Madam Speaker, we Manitobans have a vision and recognize that this government shares that vision with them. We are here because it has been the wish of Manitobans. We are here as long as we are prepared to provide good government to Manitobans; and I expect quite properly that when we cease to be good government, when we cease to respect the will of those to whom we are entrusted with serving, that we'll be defeated in this province. That is to be expected. We, as the New Democratic Party respect the democratic process.

We do not, Madam Speaker, think in terms of any divine right of government. We do not think in terms of being the superior kind of individuals that are the only ones to have the right to serve the people of the Province of Manitoba, and I believe it is because of that, that this government has been elected and re-elected four of the last five elections in Manitoba.

Now I would like to return to 1977-1981 for a few moments. Madam Speaker, two of those years were years of net loss in the population of Manitoba. They were years, in fact, that many of our sons and daughters from this province had no alternative but to leave the Province of Manitoba for employment either west or east of here. It was a period of time in which Manitobans recognized that they had a government that was mean spirited, a government that cared little for the lot of the ordinary man and woman. It was a government that was elected with probably the largest percentage vote in the history of the Province of Manitoba in 1977. It was the first government in the Province of Manitoba since, I believe it was, 1911 or 1914 that served but one term because Manitobans said we've had enough of that kind of government in Manitoba.

Quite a tradition that honourable members carry with them across the way, the only government in 75 years that served but one term on behalf of the people of the Province of Manitoba, having been elected with a record popular vote, serving for one term and being ousted from government. Quite a record of achievement.

I remember those years. We spent a lot of time listening to a government that talked a great deal about patriating the Constitution; whether it should be patriated or not. Well, Madam Speaker, we went out

to Manitobans and we talked, not about patriating the Constitution, but we talked about patriating the sons and daughters of the people of the Province of Manitoba to ensure that they would have an opportunity to return and to participate as Manitobans in the fabric of this province. We were elected and we proceeded with courage to build for the future; from 1980-1986 much has been accomplished. Manitobans are proud of their accomplishments, jobs and the economy.

Just for the edification of honourable members across the way, the Member for Brandon East, the Minister responsible for Employment and Income Security, I think more than probably any other member on this side — and I commend him for this — totally and completely destroyed any credibility they had by demonstrating how inept and incompetent they were as economic managers during the period of time they were in government.

I know, Madam Speaker, that the Member for Sturgeon Creek carries with him a grudge towards the Minister of Employment and Income Security dating back to that period of time, because he knows full well how the Member for Brandon East completely and totally discredited the puffery from the Member for Sturgeon Creek, who then performed as Minister of Economic Development in the Province of Manitoba. Jobs and the economy; jobs, economy and quality of life.

I think it's time that members opposite stopped knocking Manitobans, knocking the achievements of Manitobans, attempting to discredit the work of ordinary men and women of this province and join with all Manitobans to build for a better future; optimism rather than pessimism; not cynicism, but a sense of confidence in the future of this province.

Manitobans and this government had been praised by a number of financial institutions that are not known as certainly supporters of the New Democratic Party. The Royal Bank, for instance, stated April 1986, "Our current long-term outlook for Manitoba is somewhat more updated than it was a year ago. In fact, we expect Manitoba to lead the nation in terms of real growth during the decade to 1994, to lead the nation. Employment growth in Manitoba is expected to be relatively strong, faster than any other province and slightly above the national average. The Royal Bank also states the unemployment rate is projected to decline from 8.1 percent in 1985 to 7 percent by 1989 and 5.5 percent by 1994.

Can we not be proud as members of this Chamber of the achievements of ordinary men and women in this province to ensure that those kinds of results can be anticipated by the Royal Bank of Canada? I wonder what is wrong.

Madam Speaker, the Bank of Montreal reported in the Winnipeg Free Press, January 31, 1986 . . . said the Pawley Government's policies have played a significant role in the province's relative good fortune over 1984 to 1985. He further proceeds to emphasize the amount of capital being spent in Manitoba by business is a reflection of the improved relationship between the private sector and Canada's only New Democratic Party Government.

Then if honourable members aren't prepared to accept the word of the Royal Bank or the Bank of Montreal insofar as their analysis — should I read to

them Dick Martin's comments? Maybe they would like to hear Dick Martin's comments. No, I think we have a better chance of persuading them if we read them a few words from the Prime Minister — Prime Minister Mulroney. Maybe the Member for Sturgeon Creek would accept the words of the Prime Minister of Canada, the current Prime Minister of Canada, in his analysis of the Province of Manitoba and its achievements over the last period of time.

I was astonished, Madam Speaker, but pleasantly astonished at the First Ministers' Conference last year when the Prime Minister took an opportunity to publicly and on television pay compliment to the work of the New Democratic Party Government of Manitoba. I read, Madam Speaker, from the words of the Right Honourable Prime Minister, November 1985, "I look at the Manitoba results over the past year, record growths of 4.3 percent and unemployment rate down to 8.6, which is remarkable compared with other provinces." That's a Prime Minister speaking. Employment growth of 1.4 percent, record numbers of new jobs. Then the Prime Minister says — I'm sure the Honourable Member for Riel will be delighted to hear these words of the Prime Minister along with the Leader of the Opposition — "Manitoba, I think in the past year, has done exceptionally well." That wasn't Dick Martin; that was the Right Honourable Prime Minister of this country speaking at the First Ministers' Conference last year, November 1985.

Yes, we have accomplished much as Manitobans, and this government, unlike that of those across the way, doesn't claim full credit. We played only a part of the role. We worked as a catalyst along with all other Manitobans, with the private sector, with the municipalities of this province, the community organizations and with a sense of direction we were able to achieve that which the Bank of Montreal and the Royal Bank and the Prime Minister expressed as exceptionally well compared to other provinces.

As long as there is unemployment however, Madam Speaker, we are going to continue to work hard to create jobs. We are going to work with all groups in Manitoba. The small business sector is crucial to the development of employment in the Province of Manitoba. It is for that reason, Madam Speaker, that our government is prepared to proceed in a creative new way by the issuance of small business bonds in order to create small business investment in the Province of Manitoba to ensure that we generate employment in the Province of Manitoba in even greater numbers by the small business sector.

But Madam Speaker, the small business community can't do it all alone. We will not abdicate our responsibility as a Social Democratic Party Government — the Jobs Fund, Limestone Electric development, Hydro development.

Madam Speaker, I want to put on record that the Member for Transcona, the former Minister of Energy and Mines, in my view has been the best Minister of Energy and Mines that this province has ever seen. This Minister of Energy and Mines has done, I believe, more in the space of the past four years in order to ensure the development of the energy resources in the Province of Manitoba, long term energy development in Manitoba, despite hostile attacks from many within our society, including the members of the Opposition.

He has braved out those attacks, Madam Speaker, and I think that time may very well tell that this Minister of Energy and Mines has left within the Province of Manitoba a record that history will refer to fondly as having made a momentous contribution to the Province of Manitoba. The price that he has paid for that by honourable members across the way, of course, has been a vigorous attack.

Madam Speaker, agriculture — they promised during the campaign to make agriculture a top priority — not a single word from the Leader of the Opposition, very few words if any, and we've been checking through Hansard to find those words. If there is a comment or two, then I will accept that there was a comment or two in respect to agriculture.

But, Madam Speaker, I understand the problem that the Member for Arthur has. The Member for Arthur isn't keen to support the Nielsen Report and the recommendations of the Nielsen Report. He had that landed on him right during the election campaign. Madam Speaker, the Member for Arthur has served as the apologist for the Federal Government for the past two years and that is why I'm sure, Madam Speaker, he is no longer the critic for the Opposition insofar as agriculture is concerned. That's why, Madam Speaker, the Member for Virden, I guess, has had to take on this major responsibility from the Member for Arthur, of being the apologist for the Mulroney government in Ottawa insofar as agricultural policy is concerned because the Member for Arthur can no longer stomach having to defend the policies of the Mulroney government, including the recent recommendations of the Nielsen Task Force that would have created severe hardship upon the western farmers.

Madam Speaker, in case there is any doubt, let me assure you that the members on this side of the Chamber intend to stand forthright against the recommendations of that Nielsen Task Force. We will stand by the farmers of this province and not knuckle in to the Federal Government if they should proceed with those recommendations. The Federal Government must live up to its responsibility. They must not offload their responsibility onto the farmers of this province or onto the provinces of Canada. The Wilson Budget took thousands of dollars, in fact, millions of dollars from the pockets of the farmers during the past two Budgets. They have given them back a few dollars, and then claim they're doing something.

Madam Speaker, have we seen any proposed changes to the Western Stabilization Program? I haven't heard the Member for Virden speak about the need for changes in the Western Stabilization Program. I had the opportunity two weeks ago to meet before the Minister of Agriculture in Ottawa and plead with him to move with needed changes to the Western Stabilization Program, so that Manitoba farmers would be treated fairly and justly under the provisions of that legislation.

The Conservatives in Ottawa and Manitoba are saying, they cannot help the farmers without money from provinces or from the farmers themselves. Madam Speaker, they didn't suggest that when it came to the bailouts to the large depositors of the banks. They didn't say that when it came to the bailouts to the large corporations of this country, to the oil companies. Why then the farmers? No to the farmers, and yes to the

oil companies and to the corporations and to the banks. That's the policy of the Conservative Party in Ottawa; that's the policy of the Conservatives in the Province of Manitoba.

Farmers don't want special treatment; they want fair treatment. We're going to continue to press Ottawa, and we're going to take our own initiatives, Madam Speaker, initiatives by way of Farm Aid, Farm Start, the Fund for Rural Development. We are committed to a province where individuals in rural communities can ensure the improvement of their living conditions and rural communities can be improved . . .

**MR. J. DOWNEY:** Another Main Street.

**HON. H. PAWLEY:** The Honourable Member for Arthur says, yes, Main Street. You know, Madam Speaker, I just want to comment for a moment about Main Street. I remember, when we first announced that we were proceeding with the Main Street Program, they ridiculed it. They ridiculed the former Member for Ste. Rose, then the Minister of Municipal Affairs, but honourable members need only read Hansard. Madam Speaker, it is my understanding that Main Street Manitoba — and I discovered it to be the case during the recent election campaign — was one of the most well-accepted programs from one end of this province to the other in the villages, towns and hamlets of this province. They were pleased that this government, despite Opposition cynicism from members across the way, had the courage to proceed with Main Street Manitoba under the auspices of the former Minister of Municipal Affairs.

Health and education, critical to the Province of Manitoba, and I urge honourable members to join with us, and not with their colleagues in Ottawa, and with other Manitobans in protesting cutbacks by way of established program funding, cuts in growth to the provinces.

Tory Governments across this country have joined with us in this battle. The only two Tory leaders in Canada that I know have not joined unequivocally in support of our position have been Premier Buchanan of the Province of Nova Scotia and the Leader of the Opposition in the Province of Manitoba, the man who sits in this Chamber now, are the only two Conservative leaders that I know of in Canada that have not joined on behalf of Canadians in saying, Bill C-96 should be stopped in its tracks. It is an affront upon health care and post-secondary education in Canada. Eight out of the 10 Conservative leaders — the exception, the leaders of the Province of Nova Scotia and Manitoba — eight Conservative leaders that are prepared to put the interests of their province and their people above petty partisan allegiances to those in Ottawa. I'm going to have some more to say on transfer payments later on.

We, in Manitoba, are working hard and long at innovative ways to control health care spending without diminishing either the quality or the accessibility of the system. Too much is at stake for the kind of petty partisan politics we sometimes see. Deeds and not words are needed, if you really want greater fairness and equality in Manitoba.

Pay equity is an example. Everyone appears to be for pay equity, but Tories and Liberals have indicated

they won't do it without the permission of employers in the Province of Manitoba. In "Programs for People," released during the election campaign — what was it, on a four o'clock on a Sunday afternoon? I gather there was some trouble in that press conference as well. The Conservative Party, in the policy document, "Reform and Improvements in Services to People," the Manitoba Progressive Conservative plan, a statement by Gary Filmon, Leader of the Progressive Conservative Party, dated February 23, 1986, on Page 49 of that document states, "Government, in the human services network, will consult, will negotiate with the private sector to identify practical and workable ways to achieve greater fairness in employment practices, including the development of measures to achieve greater pay equity."

Madam Speaker, the Leader of the Opposition said he will negotiate with employers, no mention of labour, no mention of women. The Leader of the Opposition is in support of pay equity, but only if the employers of this province can be persuaded to concur with him. Too bad for the women or for the labour movement who want to ascertain the development of pay equity and see the achievement of pay equity in the Province of Manitoba.

Regrettably, I say this to the Member for River Heights. Her party, she, suggesting that she is the leader of reform and progress, has indicated practically the same thing. Pay equity is great, but only if the employers will okay it in the Province of Manitoba.

Which is it? Pay that is based upon gender's days, Madam Speaker, I believe are numbered in the Province of Manitoba. We are going to work with everyone to ensure that happens. We made a promise in the campaign to introduce legislation and programs that would bring greater fairness to Manitobans, make this a better place to live and to work in, and we will do that.

Housing programs, expanded public day care — I was surprised to hear a few moments ago from the new Member for Springfield, suggesting that his constituents were less keen than you would expect insofar as day care was concerned. I remember being in Dugald and seeing a great deal of happiness on the part of his constituents in respect to the expansion of day care in Dugald in the constituency of Springfield.

Not public funds, I must say, Madam Speaker, to profit day cares; cleaning up the rivers; initiatives on the part of this government to reduce crime; support victims; consumer protection and changes to The Trade Practices Inquiry Act to ensure that Manitobans are properly represented and the interests of Manitoba are properly reflected, and we'll be interested to see if honourable members across the way will support changes to The Trade Practices Act, so that Manitobans can ensure that they have greater teeth in ensuring that they are not gouged unfairly by way of prices in Manitoba.

We are a government, Madam Speaker, of action; we are a government that is prepared to keep its word to Manitobans. We are going to continue to fight for tax reform. The Leader of the Opposition has acknowledged in this Chamber that we have been the party of tax reform, and we have said more about tax reform than any other party; and I might say quite proudly, Madam Speaker, we were the first government

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to raise the question of tax reform at a Federal-Provincial Conference.

I remember, Madam Speaker, when we raised the issue of tax reform — genuine tax reform for Canadians — in Regina at a Federal-Provincial Conference, no other provincial government felt they could dare join with us in calling for meaningful and comprehensive tax reform in Canada. Madam Speaker, I am delighted to say that many other governments have now joined with us. I am delighted, Madam Speaker, to see, in the past three weeks, the sudden conversion of honourable members across the way to the need for tax reform.

Madam Speaker, in the past four years, I don't know whether I have ever heard a word from honourable members across the way about the need for tax reform. They have become instant converts to tax reform, Madam Speaker. I am now going to challenge honourable members across the way to maintain their support for tax reform, to speak out on behalf of tax reform, and give this New Democratic Party Government of Manitoba all the support they can muster, in order to ensure that there's an equitable and fair, comprehensive tax reform measures introduced, not just in Canada, but in the provincial level as well.

In fairness I want to commend the Leader of the Opposition in his new-found conversion to tax reform. I'm sure they're sincere. I'm sure that has been overlooked in the past, and the Leader of the Opposition now accepts the fact that tax reform must be a national priority as well as a provincial priority. I commend the Leader of the Opposition for joining with us in stressing the importance of tax reform. It has warmed my heart to see the sudden conversion across the way on the issue of tax reform. I hope, Madam Speaker, that it's not just for opportunistic reasons that they have latched onto tax reform, but that their support for tax reform will be a permanent one and will be properly thought out and they will deal with this in the way that the issue should be dealt with.

You see, Madam Speaker, when it comes to standing up on behalf of petty partisan interests, our vested interests, or standing up on behalf of the ordinary men and women of Manitoba, this government will always stand up on behalf of ordinary men and women — for example the transfer payments.

Madam Speaker, during the period leading up to the federal election, when the Prime Minister was then the Leader of the Opposition, he had some interesting words to say about the funding of health and social development in Manitoba. At the Crocodile Room of the Peter Pan Hotel, New Glasgow, Nova Scotia, the Prime Minister said, this is dated August 24, 1983, Ottawa Citizen — it said: "A Conservative Government would return the original 50-50 split in Medicare costs between the Federal Government and the Provincial Governments if elected to office, says Tory Leader, Brian Mulroney."

The Prime Minister is also quoted as saying: "Brian Mulroney stressed the progressive side of his Conservatives here Friday, vowing to negotiate with the provinces to bring preventative and home care under Medicare." He said, "A Conservative Government would support preventative health care, develop new approaches to community and home base care, especially for the chronically ill, and expand medical research, particularly for the types of illness affecting the elderly."

And also in the Gazette, Monday-Saturday, August 13, 1983, the Prime Minister said: "Yesterday Mulroney laid the blame for the current crisis in health care" — remember this is 1983, before his election as Prime Minister, "blame for the current crisis in health care financing on the Liberals," and which he said, "forced extra billing and user fees on the provinces by reducing federal Medicare contributions to 40 percent from 50 percent.

"A Conservative Government, he said, would resume bargaining with the provinces in order to ensure fair and more equitable treatment." That's a sacred trust — the Prime Minister — the 50-50 commitment between the Federal and Provincial Governments to ensure health care, the improvement of health care in Canada as a whole.

Of course, we've seen what has happened originating with that solemn commitment in the Crocodile Room in the Peter Pan Hotel in New Glasgow. Madam Speaker, since 1979, when Manitoba enjoyed 50 percent funding from Ottawa, we are now down to 43 cents of each dollar from the Federal Government, and due to the measures in Bill C-96, in which honourable members across the way appeared to support, along with only one other Conservative Leader in Canada, Premier Buchanan of the Province of Nova Scotia, that funding will be reduced to 36 to 37 cents of each dollar. The impact of that, of course, is obvious, insofar as the smaller, the less wealthy parts of this country.

Madam Speaker, the Leader of the Opposition appeared on Provincial Affairs broadcast in December 1985 to defend his colleagues in Ottawa and to attack what he thought was fedbashing on the part of this administration. Obviously he didn't know the position that was being taken by other Conservative leaders across this country.

As a result of that Provincial Affairs broadcast and the obvious erroneous statements on the part of the Leader of the Opposition, I forwarded to the Leader of the Opposition a letter dated December 27, 1985, in which I advise to the Leader of the Opposition, "Your comments on transfer payments growing by 1 percent more than inflation under federal proposals are not consistent with the information provided by the Federal Finance Minister to his colleagues on Friday, December 13. In fact, Ottawa's EPF cash payments to Manitoba are slated to grow from \$448 million in 1986-87 to \$485 million in 1990-91. That is about 2 percent annually or one-half inflation under the latest federal cutback proposal which would restrict federal contributions to GNP minus 2 percent."

Then I went on, Madam Speaker, in this letter to suggest what I thought was a reasonable recommendation to the Leader of the Opposition. Remember this was before the election and I had hoped that the Leader of the Opposition would have ensured that he would fully understand the particular issue, so he could speak out during the upcoming campaign on behalf of Manitobans; take a stand on behalf of Manitobans. I ignored the problems we had and finally we did manage to get the Leader of the Opposition to join with us on the C.N. issue. Finally, the Chamber of Commerce got involved and after a great deal of protestations and accusations of fed bashing from Conservatives.

I suggested to the Leader of the Opposition on December 27, "If you feel a comprehensive briefing by

Finance Department staff would be worthwhile, at least in assuring your Party's analyses and conclusions are based on a complete and up-to-date assessment of the effects of federal actions and provincial cash flows, please contact me. I would be happy to make the necessary arrangements."

Well, Madam Speaker, I checked with staff and the Leader of the Opposition to this date has undertaken no effort to obtain a briefing by anyone in the Finance staff of our Manitoba Department of Finance — none whatsoever. Yet during the Leader of the Opposition's speech in this Chamber, he repeats the same untrue comments to this Chamber; comments that I pointed out to the honourable member were not factual; comments that I requested the honourable member in a private letter at the time to attend a meeting of Finance officials so he could be properly briefed, so he could stand up on behalf of Manitobans, he abdicated his responsibility. But worse, Madam Speaker, only the other day in the House he continued on with a continuation of his non-factual statements in this House, again, parroting the federal line that there had not been a reduction insofar as the increase in transfer payments to the provinces.

I went on to give the benefit of the doubt. I said in this letter, "I recognize that federal spokespeople are prone to citing the federal deficit as a reason for justifying the massive cuts in federal support for health and higher education. However, I believe the question is fundamentally one of priorities. The same federal administration is finding more significant sums of monies for bank bail-outs, oil companies, polar ice breakers" — my apologies to the Minister of Transportation; I believe he likes those ice breakers — "new capital gains breaks for the rich, and so on. I'm hopeful that the issue of federal support to health and post-secondary education will receive your support as is one of the most vital issues confronting Manitoba today."

The Minister of Finance, just a few days ago, asked the support of all honourable members to join with us in opposing Bill C-96. We had thought at that time there would be a reasonable chance that this government in Ottawa would have cross-country hearings as the previous Liberal Government had done when there were changes to the transfer payment system pertaining to established program funding. Apparently, that is not to be the case.

We will have an opportunity to test the extent to which honourable members are prepared to stand up for health, for hospital beds, for classrooms in the Province of Manitoba because there will be a resolution in this Chamber; and I would hope that the resolution would receive the support of each and every member across the way, that they would place their support of Manitobans, that they would ensure that they prefer health and post-secondary education maintenance to blind support of what their colleagues are doing in Ottawa.

Madam Speaker, there are a number of other issues that are important insofar as Manitobans are concerned. One is the matter of the trade negotiations which are taking place starting today between Ottawa and the Government in Washington. I would hope that insofar as those negotiations are concerned that there will be a willingness achieved on the part of the Federal

Government to ensure that there is maximum provincial participation. Insofar as those trade discussions are concerned what is important is that we ensure that there's a recognition of the role of the provinces and the Federal Government. All members in this Chamber support more liberal trade, I'm sure; greater enhanced trade; freer trade development. It is the only way, in fact, by which we can ensure that there is continued economic development and growth but, Madam Speaker, there must be certain understanding insofar as what takes place insofar as those negotiations are concerned.

I must say I was pleased with the discussions that I had with the Rt. Hon. Joe Clark when he attended here insofar as his apparent sensitivity to the concerns of the provinces. The negotiations are starting, I believe, tomorrow and this issue is still floating up there somewhere as to the provincial participation on a meaningful level that was promised last November to the Premiers of this country by the First Minister. We intend to pursue the whole question of ensuring that there is proper and adequate participation by the provinces in those discussions because there are certain basic concerns that must come, top priority, as far as Manitobans are concerned. The first and foremost is regional economic development.

I've always been of the view if trade is to be more liberalized and agreements are to be arrived at, those agreements must reflect the nature of Canada. They must be agreements that will ensure that there is the improvement of employment and economic opportunities, not in just the Windsor-Montreal belt, but rather must stress the need for economic development in the Maritimes, in Manitoba and Saskatchewan. That is why it is fundamentally important that the provinces play a key role in the discussions leading up to any final agreement that might arise because, Madam Speaker, I do not believe that these discussions are going to result in any level of success if the provincial participation is not closely integrated into the negotiation process.

The provinces must be involved in the development of the actual mandate from Day One, a mandate that will provide for the assurance of provincial approval in those areas that require provincial jurisdictional approval; whether it is transportation; whether it is in respect to some of the provincial stabilization programs in regard to agriculture; whether it is in respect to the Liquor Control Commission, the fish and the breweries. The Federal Government cannot achieve that which they are claiming to be seeking to achieve if they don't ensure that they work in partnership with the provinces in achieving it.

There are other areas of federal-provincial jurisdiction that require the okay and the approval of the provinces. Certainly, there are other areas, Madam Speaker, that involve federal jurisdiction only, but this country will be for the better if there are recommendations received from the provinces that are taken into consideration, to the Federal Government because Manitobans, like Canadians everywhere, are becoming more and more leery about the direction in which these discussions are proceeding.

We are not going to permit these discussions to proceed without that participation, a participation that may very well ignore the need for regional economic

development, a need to recognize that Canada is a distinctly different political entity than the United States of America in that they have different social and cultural programs that must be protected and guaranteed. Despite the comments by the trade negotiator from the United States, Canada will not concur with any effort to undermine our Medicare programs, our social programs.

I believe, Madam Speaker, that if the provinces are not fully participating in that process, there is a real danger of those kinds of developments taking place.

The agricultural — (Interjection) — Madam Speaker, the position that I took at the Western Premiers' Conference is no different than the one now: very important conditions attached to any development of a comprehensive, freer trade agreement.

Agriculture. The Member for Lakeside represents an agricultural constituency. I have found more concern, Madam Speaker, in the Province of Manitoba from farm spokespersons and from farmers in this province, than from any other segment of the Manitoba population, the desire on the part of dairy producers; the concern on the part of poultry producers; the desire on the part of vegetable growers to ensure that their interests are protected and not traded off with a political whim of the negotiators, Madam Speaker.

Madam Speaker, as I told the Right Honourable Joe Clark when he met with me, a meeting of First Ministers is necessary so we can ensure not only the mandate but we can ensure the ratification process that will take place because the provinces and the people of Canada are not going to accept the product unless it results in a larger number of jobs and the protection of those social and economic areas that are so fundamentally important to the people of Canada.

There must be put in place, before the negotiations commence, a proper ratification process. If that does not take place, Madam Speaker, the talks will be poisoned from the very beginning. In fact, when the discussions first started, there was a great deal of federal-provincial cooperation.

The provinces have indicated just about unanimously, with the exception of Richard Hatfield in the Province of New Brunswick, to the Federal Government stop. We insist it must be put in place, a meaningful role for the provinces in the free trade discussions.

Madam Speaker, we are not prepared to leave those discussions to the officials. Simon Reisman, as competent and as efficient as he may be, and the provincial representatives, in the final analysis it must be the political leadership that assumes responsibility and we are not going to abdicate our responsibility as Provincial Premiers to the officials or to the Federal Government in a matter as crucially important as the question of trade.

Madam Speaker, at the Western Premiers' Conference that is to take place in Swan River, and I must commend the Member for Swan River. The Member for Swan River lobbied me and lobbied me pretty effectively this year to ensure that the conference would be in Swan River. I am looking forward to the conference and the hospitality in Swan River, in which the four Western Premiers will be participating.

But the question of trade will be one of the most important areas that we will be dealing with at that conference, in addition to agriculture; that will be, of

course, a second very important issue to be dealt with at the conference.

So I would trust that with the commencement of the negotiations as of tomorrow, we will receive word very, very shortly that there will be a First Ministers' Conference so that this entire question can be properly clarified so that we will know, as Manitobans and Canadians, the direction in which we are proceeding.

Madam Speaker, in conclusion, the New Democratic Party government of Manitoba was re-elected on March 18 with a mandate to carry on the operation of government on behalf of Manitobans. We will not shy from that mandate entrusted to us by Manitobans. We will not be sidetracked by pettiness and secondary issues raised by honourable members across the way. Our priorities during this Session and during the next four years will be the priorities of Manitobans, and not the petty, personal kinds of issues that honourable members across the way have been wont to introduce during the past four and a half years in this Chamber.

Again let me repeat, to ensure that the top priority in government is to create employment and opportunity for Manitobans, in order that Manitobans can develop their own individual potential to the fullest, to contribute not just for themselves — and that is the difference between the social democratic approach, I suggest, and the conservative approach — the recognition that the contribution towards the development of the individual is not just to be a self-serving objective, but must be to ensure the development of the potential of the individual, the potential of the skills and talents of the individual so they can better contribute to the community as a whole, to their fellow brothers and sisters in the community. That is the fundamental difference that exists between Conservative philosophy and New Democratic Party philosophy.

Secondly, to ensure that the challenge that we are confronted with on the agricultural front, the rural communities, is faced up to. That will not be an easy one because there are many factors, of course, that are difficult to overcome. Much of the initiative must be undertaken by the national government because it was, Madam Speaker, the unwise monetary policies of Governor Bouey of the Bank of Canada — high interest rates in 1979, 1980, 1981 — the Bank of Canada policy that I must also tell honourable members, were opposed by most of the Premiers of this country, with the exception, I must say, of just a few, plus the former Member for Turtle Mountain who sat in this Chamber.

The remedies must be national in scope if we are to resolve the plight facing the farm family in the Province of Manitoba, as well as Western Canada.

Thirdly, Madam Speaker, we are going to continue with programs such as the announcement that was made by the Minister responsible for Income and Employment the other day, the 55-Plus Program, to ensure greater supplementary assistance to the senior citizens in need in the Province of Manitoba; to ensure that those senior citizens — not all seniors — but those most in need will receive the kind of assistance that they so properly deserve in the Province of Manitoba. We made that as a commitment; we delivered on that commitment.

We will not be intimidated insofar as ensuring that we proceed, more progress will be made towards the achievement of pay equity in our community, men and women.

We shall also, Madam Speaker, continue to ensure that we present the cause of the Province of Manitoba, whether it be by way of transfer payments; whether it be by way of opposition to proposals to establish nuclear waste sites near the Red River in the State of Minnesota. We will stand with our friends in Minnesota and North Dakota against those attempts and proposals by Washington. We will stand up, Madam Speaker, no matter what the cost is because our first and foremost responsibility is to Manitobans in general. That is our trust; that is our responsibility. We enjoy the confidence of Manitobans. We will proceed to ensure that we develop an improved quality of life in Manitoba.

**MADAM SPEAKER:** In accordance with Rule 35, the question before the House is the proposed motion of the Honourable Member for Ellice, for an Address to Her Honour the Lieutenant-Governor in answer to Her Speech at the opening of the Session.

**QUESTION put, MOTION carried.**

**MADAM SPEAKER:** The Honourable Opposition House Leader.

**MR. G. MERCIER:** Madam Speaker, I've requested the vote be recorded on Division, although I do not speak for the Member for River Heights.

**MADAM SPEAKER:** On Division.  
I declare the motion carried.

**MR. G. MERCIER:** On Division.

**MADAM SPEAKER:** On Division. The will of the House?

### COMMITTEE CHANGES

**HON. J. COWAN:** Madam Speaker, I would like to first move some committee changes, if I can, for the committee meeting for Public Utilities and Natural Resources tomorrow.

I would move, seconded by the Minister responsible for Native Affairs, that the Member for Inkster replace the Minister of Finance, and that the Member for Transcona be replaced by the Member for Thompson.

I would also like to indicate that, through discussions with the Opposition House Leader, we have confirmed that the Public Utilities and Natural Resources Committee will be meeting next Tuesday and next Thursday as well to review the Manitoba Hydro report and the report of the Manitoba Energy Authority, if time permits.

Having done so, I sense an inclination on the part of members to call it 5:30.

**MADAM SPEAKER:** Is it the will of the House to call it 5:30? (Agreed)

The hour being 5:30, the House is now adjourned and stands adjourned until 2:00 p.m. tomorrow (Thursday).