

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 8 March, 1988.

Time — 1:30 p.m.

OPENING PRAYER by Madam Speaker.

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

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MADAM SPEAKER: The Honourable Minister of Labour.

HON. M. SMITH: Madam Speaker, I'd like to make a ministerial statement.

Madam Speaker, on this, International Women's Day, I stand as Minister responsible for the Status of Women to applaud the women on both sides of the House.

It is fitting that my portfolio also includes labour, since International Women's Day originated in the trade union movement. On March 8, 1857, women in New York marched to protest bad working conditions, long working hours and low pay.

While the sweatshops of the 1800's are gone, we have not yet achieved economic parity with our male counterparts. And without economic parity, social equality cannot be realized.

In the Throne Speech last month, the Lieutenant-Governor announced this government's ongoing commitment to improving the economic lives of Manitoba women. One very important symbol of that commitment is pay equity.

Today I am proud to announce my government's intention to amend The Pay Equity Act to include Manitoba school divisions. We will begin consultations with key players from the school divisions within the month in order to prepare amendments this Session.

I do not anticipate that teachers will require pay equity wage adjustments as their pay system is free of gender bias.

Madam Speaker, as we proceed in a phased, orderly manner, we are building on the success of The Pay Equity Act, an act which enjoyed the support of every member in this House. I would like to take a moment for an update on our progress to date.

Members will recall that September 29 last year marked an historic occasion, the signing of an agreement between the Manitoba Civil Service and the MGEA, which resulted in Canada's first pay equity wage adjustments based on pro-active legislation. Furthermore, Crown entities, hospitals and universities are continuing their negotiations cooperatively and are scheduled for completion this September. Meanwhile, as pay equity gains momentum across the country, other jurisdictions are looking to Manitoba to gain from our experience and our success.

Now that wage adjustments are in place for employees of the Civil Service and imminent for others

in the public sector, extension of pay equity to school divisions will contribute to the solid foundation upon which pay equity in this province is built. As each entity successfully implements pay equity, our province moves closer to fairness and equality in the workplace.

Thank you, Madam Speaker.

MADAM SPEAKER: The Honourable Member for Kirkfield Park.

MRS. G. HAMMOND: Thank you, Madam Speaker.

I too would like to support the celebration of International Women's Day. I thank the Minister for telling the House that the pay equity will be going into the school divisions. One of the questions that certainly the trustees and members on all sides of the House, I would imagine, would want to know is how the pay equity will be funded for the school divisions. Will this be another area where the government plans to put it directly on the homeowners of this province? As much as we support the pay equity legislation, we would like to know how this particular piece of legislation will be funded as far as the school divisions are concerned?

I would like to mention about International Women's Day, that we wish that the government could do more in the area of women's issues such as Osborne House and alternate day care for the farm women, because what we have is a government whose priorities seem to be in the wrong place. I'd like to just mention a couple of areas.

This is the bridge to nowhere which is out in the Selkirk-Gimli area, which is at a cost of \$20 million to \$29 million, and the Kildonan Bridge, which is \$10 million and it's not needed for another year. It's amazing. I don't blame the women on that side of the House because I imagine, every time they bring up money for women's issues, it's ta-ta and let's put it on the back door. These are hidden issues, issues like farm women needing alternate day care, like Osborne House desperately needing a new facility. It's not like a bridge for all the world to see so that we can trot out and have this government re-elected.

It's because of mismanagement, misplaced priorities that we have a government that isn't able to help the people who really need it. I welcome the Minister's statement today, and we will be looking forward to what action they will be taking on these other issues.

Thank you.

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. L. HARAPIAK: Madam Speaker, I would like to table the Annual Report for the Manitoba Agricultural Credit Corporation.

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

INTRODUCTION OF GUESTS

MADAM SPEAKER: Before moving to Oral Questions, may I direct the attention of honourable members to the gallery, where we have from the Morden Collegiate twenty-nine Grade 12 students under the direction of Mr. Derzak. The school is located in the constituency of the Honourable Member for Pembina.

On behalf of all the members, we welcome you to the Legislature this afternoon.

ORAL QUESTIONS

Autopac - gasoline tax subsidy

MADAM SPEAKER: The Honourable Member for Ste. Rose.

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

Just the past month-and-a-half, MPIC Autopac Division has begun to use the merit system to recognize better drivers in this province to give them some relief on the cost of their Autopac insurance. Now the Minister is suggesting that a hidden gasoline tax could be used to subsidize the cost of Autopac premiums in this province. Madam Speaker, good drivers will again be assessed costs in this province that have nothing to do with their driving record. Madam Speaker, I would like this Minister to clarify this complete contradiction in policy.

MADAM SPEAKER: The Honourable Minister responsible for MPIC.

HON. B. URUSKI: Madam Speaker, I think that suggestion that has been made that the government is going to be using that proposal for insurance premiums came from none other than the member opposite. That's who suggested it.

Madam Speaker, I have to admit it's not a very original suggestion. Madam Speaker, the honourable member should be aware that when there was, I believe it was, a 2 cent a gallon levy for insurance premiums in the mid-Seventies, two years of the levy was during our term and two years of that levy was during their term and they removed it, Madam Speaker. They took it off.

Madam Speaker, I want to assure my honourable friend that there are no immediate plans for any introduction of a premium using gasoline revenues.

MR. G. CUMMINGS: Madam Speaker, the Minister denies the origin of the idea. I would like to refer you to his press release on February 2 in terms of reference to Judge Kopstein. In the second section, part D, "Use of drivers' licence fees or gasoline taxes to finance automobile insurance costs." Madam Speaker, I want to assure the people of the province, if he wants to impose a tax like that, we will withdraw it when we form government.

Madam Speaker, my question to the Minister responsible for MPIC is: Will he assure the House and the people of this province that, if they should impose this unfair type of gasoline tax to subsidize Autopac, will he assure the people of this province that, in no

way, it will be used to offset the deficit incurred in MPIC general and MPIC reinsurance?

HON. B. URUSKI: Madam Speaker, the honourable member continues to push the inaccuracy that public funds from Autopac have been used to support the reinsurance losses in the general insurance area, just his statement. Those are the kinds of falsehoods, Madam Speaker, that members opposite have been putting out to the public of Manitoba. Madam Speaker, let me be very clear to my honourable friend. His Prime Minister raised gasoline taxes in this country by about 25 cents a gallon in the last number of years. Madam Speaker, there is no intention of the government to have -(Interjection)-

MADAM SPEAKER: Order please.

May I remind Honourable Ministers that answers to questions should be brief and should deal with the matter raised.

The Honourable Minister.

HON. B. URUSKI: My honourable friend, as I said earlier, there is no intention of the government to impose gasoline taxes to pay Autopac premiums. It's certainly an item, an area that should be discussed widely as one avenue of possible premium support and has been widely accepted, Madam Speaker. But my honourable friend wishes to say that it will be done tomorrow; I can't stop him from saying that, but it is not government policy.

MPIC - executive shuffle

MR. G. CUMMINGS: Madam Speaker, I am confused. I'm not sure who wrote the press release and who wrote the terms of reference for Judge Kopstein.

Madam Speaker, my supplemental question to the Minister is that we've just seen in this past day a rather meaningless shift of the vice-presidents at MPIC. I would like the Minister to assure this House and assure the people of this province that this shift in responsibility of vice-presidents will in no way impede them from speaking to the committee of Natural Resources and Public Utilities so that they can be quizzed about their responsibilities prior to yesterday's shift.

HON. B. URUSKI: Madam Speaker, all members of the executive team will be at committee when the committee is called in the usual manner. Madam Speaker, the only one that can muzzle anyone is the Leader of the Opposition who has been muzzling people backwards and forwards on the whole issue of his leadership.- (Interjection)- I mean he is sitting right to your left.

Madam Speaker, I have indicated on a number of occasions that the entire executive team will be present before committee and the normal rules of committee will handle the annual report.

Budget - municipal tax-sharing agreement

MADAM SPEAKER: The Honourable Member for Morris

MR. C. MANNES: Thank you very much, Madam Speaker.

Page 24 of the Budget makes reference to a special provincial municipal tax-sharing payment of \$5.5 million. My question to the Minister of Finance: Will this sum of money flow during the present fiscal year, such that the third quarter estimate of deficit will increase from that forecast or will it flow from the '88-89 fiscal year such that that forecast of deficit will increase?

MADAM SPEAKER: The Honourable Minister of Finance.

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

Again, the Member for Morris is attempting to portray something that is not quite accurate. I would have thought he would have got up today, Madam Speaker, and corrected the words that he put on the record yesterday where he says, dealing with the evaluation allowance, that all principles -(Interjection)- what has this got to do with providing correct information, Madam Speaker? - that in accordance with accounting principles practised everywhere, because my indication is that all the provinces report these losses as of December 31st.

If you go through province by province, Madam Speaker, it ranges British Columbia, March 19; Alberta, March 20; Saskatchewan, June 17; Ontario, May 20; Quebec, April 20; New Brunswick, April 28; Nova Scotia, April 10; March 24 in P.E.I. and April 2 in Newfoundland, Madam Speaker.

After hearing that misinformation yesterday from the Member for Morris, Madam Speaker, you can imagine my surprise this morning when I hear him on the radio talking about an income earner at \$30,000 paying -(Interjection)- It seems that the truth bothers them.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please.
The Honourable Member for Morris.

MR. C. MANNES: Madam Speaker, most obviously the Minister of Finance realizes that whatever his bureaucrats or indeed the Premier or indeed he himself try to do to convince the people of Manitoba . . .

MADAM SPEAKER: Does the honourable member have a question?

MR. C. MANNES: . . . many of the figures they presented were true when in fact they were not in the Budget, he has been caught.

MADAM SPEAKER: Does the honourable member have a question?

MR. C. MANNES: Madam Speaker, I have no - if the Minister of Finance is asking me to apologize for the comments that I put on the record yesterday, I will do so.

What I meant to say, Madam Speaker, was this, that other provinces in this country use consistently the same month-end. That's what I meant to say, so I apologize, Madam Speaker.

MADAM SPEAKER: Order please, order please.

Okay, now would the honourable member like to ask a question?

MR. C. MANNES: My question was very specific to the Minister of Finance. Is the \$5.5 million under the Provincial-Municipal Tax-Sharing Agreement, is it going to flow in this fiscal year or is it going to flow in next fiscal year? Which deficit is going to increase because of that announcement which, I believe, will be coming forward in the next couple of weeks?

HON. E. KOSTYRA: I thank the member for the first apology.

On to the second one, Madam Speaker, as I was starting to say, can you imagine my surprise this morning when I heard the Member for Morris suggesting that somebody who had a \$30,000 income will be paying over \$600 or \$700 more tax this year as a result of last year's Budget. The reality is - and there's a range of possibilities, depending on what situation that individual will find themselves in - but if they were a single person with no dependants, they would be paying more taxes this year of \$284 million, not \$600 or \$700 that he is suggesting.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. M. DOLIN: Sorry, but on a point of order, I cannot hear.

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

Could honourable members please come to order. I presume the Honourable Member for Morris wants to hear the answer from the Honourable Minister.
The Honourable Minister of Finance.

HON. E. KOSTYRA: As I was saying, Madam Speaker, in terms of the second area that the member has misrepresented the situation, if you look at that same \$30,000 income, a single person with two dependents, this year, they will be paying increased taxes of \$41, Madam Speaker, not the \$600 or \$700 that he's . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please.
The Honourable Member for Sturgeon Creek, on a point of order.

MR. F. JOHNSTON: Madam Speaker, like the member on the other side who just got up on a point of order, I would very much appreciate hearing an answer to the question and not a lot of rabble that has nothing to do with the question.

SOME HONOURABLE MEMBERS: Oh, oh!

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

May I remind the Honourable Member for Sturgeon Creek that an insistence on an answer is not in order, a Minister can refuse to answer if a Minister so chooses, and a Minister can answer the question in any way a Minister chooses. Those are the rules.

The Honourable Minister of Finance, briefly.

HON. E. KOSTYRA: In fact, Madam Speaker, in order to do what the member suggests that somebody at an income level would pay \$700 more taxes, they would have to have income of over \$70,000 a year, not the \$30,000 or \$40,000 that that member is suggesting. I wish he would get up now and apologize for his second error, Madam Speaker.

MR. C. MANNES: On a point of order, Madam Speaker.

I would seek your indulgence, and I ask whether now it is within the rules that I can now comment on anything the Minister of Finance says in the media or the press tomorrow, Madam Speaker. Can I do that?

MADAM SPEAKER: Order please, order please.

First of all, as the honourable member knows, questions to the Speaker are out of order. I will repeat the Beauchesne citation from which I was quoting before, which says:

"Citation 363.(1): A Minister may decline to answer a question without stating the reason for his refusal, and insistence on an answer is out of order, with no debate being allowed. A refusal to answer cannot be raised as a question of privilege, nor is it regular to comment upon such a refusal. A Member may put a question but has no right to insist upon an answer."

Now, it's question period, not time for debate.

The Honourable Member for Fort Garry.

MR. C. BIRT: On the same point of order, Madam Speaker.

I would refer you to Rule 358.(2) . . .

MADAM SPEAKER: Order please.

MR. C. BIRT: . . . where it says "Answers to . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please.

SOME HONOURABLE MEMBERS: Oh, oh!

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

I have already ruled on the point of order.

Budget - interest costs

MADAM SPEAKER: The Honourable Member for Morris, with a final supplementary.

MR. C. MANNES: Madam Speaker, a new question.

Given that the Minister of Finance levied the taxes that caused many, many people to pay hundreds and hundreds and hundreds of dollars more by virtue of the new tax on net income, can the Minister of Finance explain to me as to what the accurate portion of expenditures are going to be directed towards financing costs, because, Madam Speaker, in the Budget it said 11.4 percent, and yet, at the NDP Convention,

Resolution No. 88-2100-01 said that the figure was beyond 12 percent?

My direct question to the Minister of Finance: What is the actual amount of expenditures that is being directed towards debt-servicing costs in this province in the next fiscal year?

HON. E. KOSTYRA: Let me first respond to the other question that the member wanted a direct answer to in terms of the provincial-municipal tax-sharing payments. It will not do either what he says. It will not increase . . .

MADAM SPEAKER: The Honourable Opposition House Leader on a point of order.

MR. G. MERCIER: Madam Speaker, on a point of order.

You have said two or three times today that the answers should deal with the matter raised.

You should answer the question, not previous questions.

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Yes, Madam Speaker, on a point of order.

We have, once again, the Opposition attempting to dictate not only what the questions should be but what the answers should be.

Madam Speaker, I would like to read to the House a very brief excerpt from Hansard of March 13, 1979, and I think the words that are expressed by the then-Government House Leader, Mr. Jorgenson, are words that should apply as well today. I believe I've read these particular words to the Assembly last Session, but I think they are worth repeating.

On page 900, Mr. Jorgenson says, "If we're going to be examining Beauchesne to determine whether or not an answer is in order, then I think it's in keeping with the spirit of the rules that you examine all of the question period, including the questions, and expunge from the record all those questions from the other side of the House that have been satirical, ironic, rhetorical, offensive, contain epithet, innuendo, be trivial, vague, meaningless, multiply with slight variation similar questions on the same point, repeat in substance questions already answered, etc., etc."

If my honourable friends want the rules applied in that way, then they should be applied in that way, and I would suggest if we rid ourselves of all those sorts of questions, it would be a very short question period, given the tenor of the questions of members opposite.

Madam Speaker, it is not in their power to determine what the answers should be and they cannot go on, day after day, putting false information and false innuendo and false rhetoric on the record and not expect to be answered in this House with true factual information by the Minister of Finance and by every Minister on this side of the House who wants that information to be presented fairly to the public.

MADAM SPEAKER: The Honourable Opposition House Leader, on the same point of order.

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

It's obvious from that comment by Mr. Jorgenson, that the Government House Leader wrote, that the NDP didn't follow the rules in Opposition at that time and now don't follow them in the House, Madam Speaker.

SOME HONOURABLE MEMBERS: Oh, oh!

SPEAKER'S RULING

MADAM SPEAKER: Order please, order please.

On the point of order, I have brought to the attention of honourable members many times their responsibility both in asking questions and answering questions to short questions with a short preamble, and that questions should be answered briefly, to the point, and without provoking debate. I have said that many times. I would hope that members on all sides would attempt - so that question period can be carried on in a fair and orderly manner - to follow those rules and impose those restrictions on themselves both in answering and asking questions.

The Honourable Minister of Finance, briefly.

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

I can't comment specifically on a matter that is not before the House, but the figure in terms of the proportion of interest costs is as represented in the Budget as a percentage of expenditures. If one takes it as a percentage of revenues, and that may be what that resolution is referring to, it may be somewhat higher.

In terms of the other issue, the provincial-municipal tax-sharing payment to municipalities to assist with the transition costs will be made during this current fiscal year and will not increase the deficit that has been projected for year-end this year and certainly will not impact the deficit that's projected for next year.

Beardy case

MADAM SPEAKER: The Honourable Member for Fort Garry.

MR. C. BIRT: Thank you, Madam Speaker. My question is to the Minister of Community Services.

A repeat offender, one William Johnson Beardy, was sentenced to seven years yesterday for raping a woman after being released from Headingley Correctional Institution.

Could the Minister advise - was this individual released on an early basis, early parole?

MADAM SPEAKER: The Honourable Minister for Community Services and Corrections.

HON. M. HEMPHILL: Thank you, Madam Speaker.

I'll take that question as notice and provide the information to the member when I get it.

MR. C. BIRT: Madam Speaker, given the fact that the judge found that he was a dangerous man with no hope of rehabilitation, I would ask the Minister also to investigate what steps were taken to ensure that he didn't get out of the institution before his permitted time?

HON. M. HEMPHILL: Madam Speaker, I'll add that to the notice of question and provide the information to the member.

NDP fundraiser - civil servants

MADAM SPEAKER: The Honourable Member for Brandon West.

MR. J. McCRAE: Madam Speaker, my question is directed to the First Minister.

I have in my hand, Madam Speaker, a letter sent by Susan Proven to various people in Western Manitoba, I presume, including civil servants at their government offices, suggesting that they attend a business dinner in Brandon at the Victoria Inn on Tuesday, March 29. Quoting from the letter, it's \$175 a plate, Madam Speaker.

This letter, Madam Speaker, sent to, among other people, civil servants at government offices, says, "There are some issues and areas of mutual concern that you will want to discuss with Eugene Kostyra, John Bucklaschuk, Harry Harapiak and Len Evans." Just in case that wasn't intimidating enough to a civil servant, Madam Speaker, it says, "I will be calling you to confirm your attendance. I look forward to meeting you at the dinner."

I would like to ask the First Minister, who also is scheduled to be attending that \$175-a-plate meeting, what areas of mutual concern would require attendance of civil servants at a \$175 dinner.

MADAM SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, unlike Conservative fund-raising dinners attended by the pin striped-suit set, the dinners sponsored by the New Democratic Party welcome people of all ranks of society - farmers and workers and public servants and business people - to attend.

Madam Speaker, if the members don't want to receive answers to questions posed, then there's really not much point in providing it to them.

MR. J. McCRAE: Madam Speaker, the civil servant who brought this to my attention asked me, "Jim, am I under the gun on this?" Madam Speaker, why is it that civil servants in this province have to pay \$175 to have access to this Premier's Ministers?

HON. H. PAWLEY: Madam Speaker, the member is sure - I think that what has happened, the honourable members must not have had their leader present at caucus to get their questions in proper order today and ensure proper priority.

The New Democratic Party sponsors dinners, fund-raising dinners, as did the Conservative/Liberal Parties. I understand the honourable member's touchiness about a dinner sponsored in the City of Brandon that I'm sure will be well-attended by many Brandonites.

MR. J. McCRAE: Madam Speaker, a question to the Minister responsible for the Civil Service Commission.

Can he give civil servants in Brandon the assurance that if they don't attend this meeting, that they're not

obligated to attend that meeting, nor will they be demoted, nor will they lose opportunities for advancement if they decline to attend?

MADAM SPEAKER: The Honourable Minister responsible for the Civil Service Commission.

HON. E. KOSTYRA: Of course not, Madam Speaker, and I would -(Interjection)- Only a Tory would think so. Of course not, Madam Speaker, and I would remind the member opposite that it was this party, while in government previously, that provided for political rights of civil servants which previously didn't exist.

School Tax Assistance Program

MADAM SPEAKER: The Honourable Member for Virden.

MR. G. FINDLAY: Thank you, Madam Speaker. My question is to the Minister of Agriculture.

In the 1987 Budget, \$12 million was budgeted to the School Tax Assistance Program for farmers, Madam Speaker, and given that farmers paid their taxes back in the summer and fall of 1987, I would like to ask the Minister how much of that \$12 million budgeted last year has actually been paid out to farmers under the School Tax Assistance Program, and how much of that money was actually used for administration?

MADAM SPEAKER: The Honourable Minister of Agriculture.

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

Of course, everyone in this Chamber will know that this is a new program. It is a program that was spoken well to on all sides of the House, bringing relief to the property tax being paid by farmers, specifically education tax. The program allotted some \$12 million, and the last report I had, Madam Speaker, was between \$9 million and \$10 million had been paid out. There were many applications yet in progress, and of course, people could apply at some point into the coming year. So we have no way of determining, at this point, absolutely what amount will go, but we are confident, Madam Speaker, that the full amount will be paid and we have allocated the same amount in the Budget. There will be a continuation of this program in the coming Budget year.

MR. G. FINDLAY: Given that the way the program was administered, it caused a lot of nightmares for municipal secretaries across the province. They were required to do a lot of paperwork, which was totally unnecessary, and most reeves have told me, Madam Speaker, it took a month of their secretaries' time to deal with this program.

I would like to ask the Minister if he's planning to streamline the program to reduce that heavy workload on the municipal secretaries in 1988, work that they were never paid for, Madam Speaker, by this government.

HON. L. HARAPIAK: We recognize that in terms of bringing in a new program, that there are going to be

some issues to be addressed in terms of making it more efficient, but I think it is better to have the courage to do something innovative than not to do anything at all, Madam Speaker. We are quite prepared, Madam Speaker, to undertake some of these programs, to undertake new initiatives, and to take some of the criticism that might go with them.

In spite of what the member opposite might say by way of criticism, I was pleased to hear when it was indicated the program would be extended for another year, that the president of the Union of Manitoba Municipalities indicated that he was indeed delighted that the program would be extended.

We are looking at ways of improving the administration, and I think it has been indicated quite clearly that two-thirds of the funds paid out by the municipalities, under this program, in the coming year, will in fact be advanced, and we think that that is something that will assist them, and recognize their contribution - a contribution that we want to pay recognition to, Madam Speaker.

MR. G. FINDLAY: My supplementary question to the Minister is that the 1987 program discriminated against wives and widows, Madam Speaker.

Is the Minister planning to continue that kind of program?

HON. L. HARAPIAK: Madam Speaker, I think what the Member from Virden says is diametrically opposed to the truth. To suggest, Madam Speaker, that the program discriminates against widows and women is totally, totally false. The program certainly has eligibility criteria, Madam Speaker, and having defined those criteria, some people are excluded. That is no different, Madam Speaker, than, for example, the Western Grain Stabilization Program which requires certain criteria in order for participation; the Special Grains Program requires certain eligibility criteria, and having established those criteria, some then will not be eligible.

In the case of the program in question by the Member for Virden, we indicated on this side that we wanted the benefit of this to go to farm families and that we were wanting the benefits to be distributed as widely as possible. There are circumstances in which they are raising questions of what constitutes a family relationship, but frankly, I don't think we should be running about the country to determine what constitutes an appropriate family relationship.

Foundation Levy increase

MR. G. FINDLAY: Madam Speaker, if I can get in one last supplementary question to the Minister.

His government has raised the foundation levy from roughly 43 mills to 46 mills this year. It's a levy on farm land, Madam Speaker.

I would ask the Minister what additional tax will farmers have to pay because of this foundation levy increase, the first since 1983, Madam Speaker? What impact will that have on the agricultural community in terms of extra tax dollars they are forced to pay because of actions of his government?

MADAM SPEAKER: The Honourable Minister of Municipal Affairs.

HON. B. URUSKI: Madam Speaker, my honourable friend should be aware that this is, I believe, the first increase in five or six years in the foundation budget.

Madam Speaker, clearly, in terms of the support that the province has provided to Manitoba farmers on education tax, the \$500 towards education tax has been a big help.

Madam Speaker, as well, there are other programs that the Department of Agriculture has had and other programs to assist municipalities that in terms of the impact, while it is a raise, if you look at it over the five- or six-year period, it is held well below any other costs that have gone up anywhere else.

Challenge for credit program

MADAM SPEAKER: The Honourable Member for Kildonan.

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

It refers to the challenge for credit program in the University of Manitoba which was announced with some fanfare a few years ago. The object of the program was to allow professionals from abroad and working people the ability to challenge so they could get credits and get professional degrees and get into university. My understanding is that the various departments in the university are not allowing this to happen.

Is the Minister going to take some action to get the University of Manitoba to cooperate with the challenge for credit program?

MADAM SPEAKER: The Honourable Minister of Education.

HON. R. PENNER: Madam Speaker, in fact, the University of Manitoba has a general policy which requires faculties to implement a challenge for credit program, but beyond that, it becomes a matter for the faculties, and it should be understood that it is somewhat more difficult and complex in professional faculties than in general studies faculties because the programs in the professional faculties lead to accreditation for practising the profession. For that reason, the challenge for credit has to be one that is acceptable in terms of the recognition of the credits and ultimately the degree to the practising profession, so that there is a problem there. Similarly, in some instances, a challenge for credit in some courses is simply not appropriate.

But with those caveats, yes, I will look further into it to find whether or not this general policy, which is correct in its enabling people to get into a university level program at some stage with some experience or some programs in other countries, and I do want to make sure that that is functioning as completely as possible and I will look into that matter and respond to what I think is an excellent question raised by the Member for Kildonan.

MR. M. DOLIN: I appreciate the response from the Minister.

While he is looking into it, I would ask if he could contact the university to find out what their rationale

is for not allowing a Masters in Psychology graduate in Brazil not to take even the challenge in Psych I in the educational program. Are they trying to make money for the university?

I'd like to know what their rationale is while he is looking into it. It strikes me that people are being denied a right to professional training if they're new immigrants or working people, and I think that's wrong.

HON. R. PENNER: I should note, Madam Speaker, that in addition to undertaking to discuss with the appropriate people in the Grants Commission and, through them, the university as to the way in which the policy is in fact being implemented, that my department is heading a study that was agreed to between the Minister for Culture, Heritage and Recreation and myself into the whole problem of accreditation, whether it means entry into the university or accreditation with professional organizations.

We are concerned about the fact that a number of apparently highly qualified people coming to this country to take up life here are denied, or appeared to be denied, an entry level in some way or that there are formidable obstacles, and we want to look into that and we have initiated a study. Also, and I conclude, Madam Speaker, we are cooperating with the Federal Government in looking into that issue across Canada.

MR. M. DOLIN: I appreciate the Minister's response, and would hope that if he can also look into the other universities in the province to see whether or not they are being more open, or whether the situation applies throughout the University of Brandon and the University of Winnipeg, also.

Stubble and peat moss burning - report

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.

Last fall, the Clean Environment Commission held public meetings on the burning of stubble and peat moss. Has a report and recommendation been received by the Minister from that committee who have listened to these at the different hearings?

MADAM SPEAKER: The Honourable Minister of the Environment.

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

I am expecting that report any day now. The chairperson of the Clean Environment Commission did indicate to me that they would require a little more time than originally planned, but he did indicate that I should receive it very soon.

MR. A. KOVNATS: To the same Minister, Madam Speaker.

Last fall when I attended many of the meetings, I was advised at that time that the recommendations would be in the Minister's hands in the early part of the year, possibly in time so that we could deal with

those recommendations when the House was in Session. Can the Honourable Minister advise if there is any other reason than just a lack of cooperation that the Minister does not have the report in his hands?

HON. G. LECUYER: Madam Speaker, I want to assure the member that there is no lack of cooperation at all. It's simply that the Commission has had to intervene in other operations and, in particular, is constantly required to impose ordinances on sewage and lagoons, and it's had an inordinate number of these in the past few months. I have indicated to the member that I expect to have the report shortly, and that is still my answer, Madam Speaker.

MR. A. KOVNATS: A final supplementary to the same Minister.

As the straw burning, stubble burning and the peat moss burning season is rapidly approaching, I would hope that the Honourable Minister will do something rather than just make excuses and see that there is some action taken on the recommendations. Would the Minister immediately take action on the recommendations and ensure that the recommendations are distributed so that we can all have a look at them?

HON. G. LECUYER: Madam Speaker, there is no stumbling when we're talking about stubble burning. It's just, Madam Speaker, as I have explained, other matters have prevented the Commission from being able to deal with this matter as urgently as they would have liked, and I assure the member we will have the report shortly. We are still a substantial time away from the next planting season, especially from the next harvest season when we have experienced the problem in the past. Certainly, we will not seek excuses even though the matter may not be an easy one to resolve.

Fire by-laws - apartment owners

MADAM SPEAKER: The Honourable Minister for Labour.

HON. M. SMITH: Madam Speaker, yesterday the Member for Charleswood raised an issue, alleging that a substantial number of MHRC buildings were not in compliance with the City of Winnipeg fire upgrading by-law. Madam Speaker, I looked into the matter and I would like to set right the member's misunderstanding.

The fire by-law permits a three-phase compliance schedule. It also permits for large landlords the negotiation of a specific schedule. In fact, MHRC buildings, of 72, three are in complete compliance with all three phases. All of them are in compliance with Phase I, Madam Speaker, and the agreement with the City of Winnipeg for the remaining 68 is that there is a phased compliance program. All of them will be in compliance by 1990. In fact, they are ahead of schedule.

The reason for asking for this is that it's not only a costly process but it does require some structural change that does impact on the tenants. It was agreed that this was a much more reasonable way so that the tenants would only be disturbed once so that, in fact, half the projects will be brought up to schedule by the end of the Phase II period up to the 1990 level, and the remaining ones will all be completed well before 1990.

Health Dept.- capital projects - status

MADAM SPEAKER: The Honourable Member for Pembina.

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

Madam Speaker, it was with some considerable fanfare that the government tabled the construction estimates in the Department of Health last year. Projects which were approved for construction totalled some capital costs of \$283 million.

Madam Speaker, on September 24 of last year, I corresponded with the Minister of Health, because a number of facilities in my constituency and other constituencies throughout the province which were on that approved list for construction were being put on hold. I asked the Minister, September 24, if he could provide me with the status of those projects and how many of them were put on hold. Can the Minister provide that information today?

MADAM SPEAKER: The Honourable Minister of Health.

HON. W. PARASIUK: Madam Speaker, I'm not able to provide that information today. I have had discussions with people in the health care field, especially with respect to rural and northern services, asking for their advice and input as to how one might best improve the services in rural Manitoba and Northern Manitoba indeed by putting more services into rural and Northern Manitoba. We are continuing those discussions to determine the best mix of facilities, how they might act in a complementary manner to each other, and how this might induce greater services in rural and Northern Manitoba. Those talks are continuing.

When we have further to say on that, we'll bring it back to the House.

MR. D. ORCHARD: Madam Speaker, I find the Minister of Health's answer most bewildering, and I imagine every taxpayer in Manitoba will.

It's my understanding that, before you present capital estimates to this Legislature - and we have passed them. This Legislative Assembly passed them last year in July, Madam Speaker, were these capital projects not approved by Treasury Board and indeed the entire Cabinet, the same capital projects that this Minister now says he is reviewing? On what basis did you approve them last year and now you've cancelled them?

HON. W. PARASIUK: Madam Speaker, I'm really surprised at the Member for Pembina. There is a capital project, a capital program that comes forward for either architectural work or engineering work or building. That is done on a yearly basis, Madam Speaker. It is a five-year process that we are talking about and, if the member is saying are we committing to the exact date five years from now, the answer is that wouldn't be best to do at this time, especially when the rural people themselves indicate that they would like to get a better mix of services into rural Manitoba. They want to ensure that there is greater complementarity, Madam Speaker, between the services provided by their institutions. I

have listened to that request, Madam Speaker. I've had discussions with rural groups on that, and it would be our intention to approve upon the system.

If the Member for Pembina is saying that which was done two or three or four years ago, even last year, is inscribed in stone, I don't think we're ever going to have the opportunity to improve the system, which is what I thought all members of this House wanted to do.

MR. D. ORCHARD: Madam Speaker, my final question to the Minister of Health.

In case he's wondering what he and his Cabinet approved last year, I'll read from the Capital Program 1987-88. On page 6, it says: "Projects approved for construction," and it says, "the estimated construction start date," for instance, "Morden Hospital, a major upgrade of emergency and outpatient services areas was to start in mid-1987"; further page, "Virden Hospital, replace the existing 32-bed hospital with a new 25-bed facility, construction to start mid-1987." That decision was made by Treasury Board, by the Cabinet and his Premier, and each of those projects and many others which he has not provided me with a list of since September 24, 1987 are now being withheld from the people of Manitoba and those services are denied.

MADAM SPEAKER: Does the honourable member have a question?

MR. D. ORCHARD: When is the Minister and this government going to get their act together and provide for proper health care in rural Manitoba?

MADAM SPEAKER: The Honourable Minister of Health.

HON. W. PARASIUK: Madam Speaker, I'm surprised. I guess this is the spending day for the Conservative Opposition. His colleague was calling for a deficit reduction of another \$134 million. They also said that we should abolish taxes, which would add to our deficit by \$200 million. That is \$334 million, Madam Speaker. They also seem to equate health care only with the building of an institution.

We think there has to be a far better balance - and we've indicated that very clearly to the people of Manitoba - between institutions, community-based care, and health prevention and health promotion. Madam Speaker, we will try and pursue that because we think it's the best policy, even though the Conservatives have a very, very mixed position with respect to health care.

MADAM SPEAKER: The time for Oral Questions has expired.

SPEAKER'S RULING

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

On Monday, March 7, 1988, the Honourable Member for Morris rose on a matter of privilege, alleging that the Premier and the Minister of Finance had attempted to distort information contained in the 1988 Budget.

As members know, when a matter of privilege is raised, before it can be proceeded with, the Speaker must be satisfied that:

- (a) the member raising the matter has concluded his or her remarks with a motion;
- (b) the matter is being raised at the earliest opportunity; and
- (c) sufficient evidence has been presented to suggest that a breach of privilege has occurred.

The Honourable Member for Morris did comply with the first requirement by concluding his remarks with a motion.

In relation to the second requirement, timeliness, the honourable member indicated in his remarks that he could have brought this matter to the attention of the House earlier. Our Rule 25 requires that: "When a matter of privilege arises, it shall be taken into consideration immediately." On several past occasions in this House, matters of privilege have been ruled out of order because they were not raised until the day after they occurred.

In relation to the requirement to establish a prima facie case, Beauchesne's citation 16 states: "Parliamentary privilege is the sum of the peculiar rights enjoyed by each House collectively . . . by members of each House individually, without which they could not discharge their functions," and, "The privilege of Parliament are rights which are absolutely necessary for the due execution of its powers."

The honourable member has failed to establish that the privileges of the House, or of members individually, have been interfered with.

The main thrust of the member's remarks in support of this matter of privilege focused on allegations respecting inaccuracy and information presented in the Budget. In this connection, Beauchesne's Citation 19(1) states:

"A dispute arising between two members as to allegation of facts does not fulfill the conditions of parliamentary privilege."

I must, therefore, rule that the honourable member's matter of privilege is out of order because he did not raise it at the earliest opportunity, because he failed to establish a prima facie case, and because the matter was based on a dispute over allegations of the facts.

ORDERS OF THE DAY

BUDGET DEBATE

MADAM SPEAKER: On the proposed motion of the Honourable Minister of Finance and the proposed amendment thereto by the Honourable Leader of the Opposition, the Honourable Minister of Business Development and Tourism has 32 minutes remaining.

HON. A. MACKLING: Madam Speaker, when I was speaking last evening, I did reflect on the excellence of the contribution to the Budget Debate -(Interjection)-

MADAM SPEAKER: Order please.

As I reminded honourable members yesterday, if they want to play little games, they can play them elsewhere, not in this Chamber.

HON. A. MACKLING: . . . on the excellence, Madam Speaker, of the contribution to the Budget Debate by the Member for Lac du Bonnet. I know that the honourable members would like to reflect further on the history of the past and reflect - sincerely I trust - on present actions today of governments in the world.

Madam Speaker, what the Member for Lac du Bonnet was pointing out was that in the 1920's and 1930's, we had that market economy, that modern economist the Reaganomics and the Mulroney economists are talking about so persuasively. We had that free dynamic market condition, no regulation of markets, no government involvement. Capitalism, market capitalism was running free. Madam Speaker, we know what happened. That system did not work, and then when there was obviously a need for government involvement, legislators like Franklin Delano Roosevelt said that government has to be involved and they had developed systems to get public works created in fashion, put people to work.

So when market capitalism failed, government had to act, but as the Member for Lac du Bonnet pointed out, there was even greater involvement because of the Second World War, and there wasn't just regulation of society. There was regimentation of society, and we accomplished a great deal. We put to work that were unemployed. We clothed people who didn't have clothes. We fed people who had otherwise been hungry. We were able, through planning, to produce goods and put people to work. Government was involved in planning the economy, to fight, discourage Fascism, of Nazism. Isn't it sad commentary that today we, as a society, cannot plan effectively to provide universal health systems with all of the technological needs for all of the world, that people go without adequate health care. People go without adequate water and food. And that's the lesson that history teaches us, that there has to be some degree of planning in society, that governments must take a responsive role and a responsible role in developing systems planning to meet human needs. That's the message that history has given us.

And yet, today, we have these people talking about deregulation, that all these regulations must be set aside. Remember the words of the former Member for Fort Garry and from Charleswood before, the honourable former leader of the Conservative Party and former Premier - he used to refer to the dead hand of government. Take the dead hand of government off private enterprise.

That was the hand of government that was instrumental in the United States under Roosevelt that started to lift the economy up again. That was the hand of the economy in the Western World that put our economy working to defend our democracy, and we succeeded. After the war, there was all that income available for people to buy consumer goods and our economy sprung to life.

And yet we have these economists talking about deregulation, destroying systems that were built over time to ensure fairness in the marketplace and a reasonable degree of equity for people who wanted to invest in enterprise. I, for some years, was chairman of the Motor Transport Board, and I can tell you that many of the people who invested of themselves, their lives and their families' fortunes to develop a trucking

system depended on some degree of assurance that there wouldn't be unlimited competition, because they had invested to provide services to the areas that they served. Yet, all of this is to be set aside under this new wave of open market capitalism. It didn't work in the 30's, it won't work in the 1980's.

Madam Speaker, social democratic or democratic socialist governments must strive constantly to effect greater fairness and equity in the distribution of wealth in our communities and throughout the global community. I would like for a few moments to talk about my concerns about the distribution of wealth in society. Now, I know that this is going to contrast myself and others on this side of the Chamber from other members opposite, on a philosophical basis - and I understand where they come from and where they go - and I trust that they can sincerely appreciate the positions we hold on this side of the House.

We believe that humankind is not like nature, where it's survival of the fittest; that humankind, through the exercise of intelligence, is prepared to share equitably with others who are less fortunate, who are less physically able, who are less - whatever the reason - able to fight for the benefits that otherwise they could obtain in society if they had those same strengths. Madam Speaker, humankind is above nature and beyond nature. We are able, through the gifts we've been given, to plan, order and structure things so that we get fairness in society.

Now, the open market system would mean that everyone gets what they can and you don't worry about your neighbour. That's the rugged, private enterprise free market capitalism that I talked about earlier that existed, rampant in the 1930's. Fortunately, Madam Speaker, we have provided through time, systems in this country that have brought greater fairness and equity to people everywhere; systems that, sometimes begrudgingly, sometimes with more enthusiasm, members of Conservative and Liberal Parties have joined with social democrats in endorsing; programs to provide fair social assistance when people are unemployed; systems for compensation for workers who are injured; systems that provide reasonable housing for people who need housing; and most significant of all is the treasured health system which we now have in this province and throughout this country.

These programs didn't come easy. There was struggle to attain these programs. We had to convince reluctant people in our society to accept the fact that we are our brothers' and our sisters' keeper, and that we as a society should share from our common fruits sufficient that we can take care of the needs of others. That's what we have been able to do in respect to those fields of endeavour.

Have we perfected those systems to the point where we can be satisfied that we've done enough? I don't think any member in the House, including members on the other side, would agree. In order to do those things - they just don't happen on their own - there has to be government showing leadership, developing systems, programs, to provide for that sharing of the benefits of society. I don't think anyone would deny that.

So that is why we on this side of the House and hopefully members on that side must be vigilant in our commitment to not only retain the health systems and

the social benefits that we have, but to try and ensure that they are improved upon and furthered to the benefit of all.

Madam Speaker, I would also like to point out that, when you provide systems, universal programs for health, for education, for housing, you are providing for redistribution of wealth, because those who can afford to pay through the taxes we raise are therefore benefitting their neighbours in providing these essential services.

No one on the other side of the House would be opposed to the public education system we have, but that is but one example of how society freely, reasonably, came to structure a program so that everyone had a right to go to school. That wasn't always the case. Historically, only the affluent children could go to school but, over the course of time, reluctant parliaments finally accepted the fact that there should be universal free public education.

I regret the fact that in our society today, unlike some societies elsewhere, there is not universal free education right through the university system. I regret the fact that we still have tuition fees. I think that, as a society, we should strive to eliminate the costs of fees right through the whole course of the educational system.

I believe that we should provide systems that would ensure that the health system we have is even stronger in its role of protecting people, and the emphasis that we are placing in this Budget on a health system that encourages and rewards fitness and wellness is the way we must go if we're going to control the ever-burdening costs of health care in this country.

I congratulate the Minister of Health and my colleagues in government for the commitment that is embodied in this Budget of the health care fund to continue to press on with the reforms that are necessary to shift the emphasis away from crisis health care to the protection of well-being and fitness, because that's the way we have to go.

Madam Speaker and colleagues, I am concerned that, in our society still, there are far too many who do not have jobs and do not have the pride of being able to work.- (Interjection)- Madam Speaker, the Honourable Member for Portage la Prairie is chattering from his seat. I will ignore that interruption.

The facts are, Madam Speaker, that this government wasn't overburdened, wasn't frustrated by the size of the deficit that they can take no action in job creation. We have put many, many thousands of Manitobans to work through our Jobs Fund effort. We can be proud of that, Madam Speaker. But in our society today, there are far too many people who are either unemployed or exist on minimum wage, minimum wage that has not kept pace with the cost of living. I believe, Madam Speaker, that, if we're going to have fairness and reasonable redistribution of wealth, then those minimum wages must be increased, year by year, to the point where those who are working even at the lowest scale in our economic ladder receive a reasonable compensation, so they can enjoy a reasonable standard of life. Surely, that should be an attainable goal for us in this society. We have an obligation, Madam Speaker, as an enlightened society to provide jobs for everyone, to provide reasonable reward for everyone.

Madam Speaker, some years ago, former Premier Schreyer indicated a concern in respect to the levels

of income in society, that there should be a reasonable incomes policy in our society. He put out a rather tentative suggestion that perhaps the maximum salary in our society should be two-and-a-half times the average industrial wage. I think there was very serious concern about that kind of a formula, Madam Speaker, and I wouldn't debate with honourable members if they say that might be too tight, that might be too narrow. There shouldn't be that rigid a formula.

But I think members opposite would say, well, we may not agree upon the formula, but we think that there should be more fairness and equity in comparable levels of salary, and that there shouldn't be the great disparity that exists in society in respect to levels of income, where managers and directors of corporations receive -(Interjection)- Well, Madam Speaker, I know the honourable members want to chatter. If they want to chatter nonsense, of course, they can go into their caucus room.

Madam Speaker, surely today in our society, it should be obvious that those who earn beyond \$1 million a year as a manager or a director of a corporation are getting far and away above what they reasonably need as compensation for their work. Yet, at the other end of the scale, we have people who are not even making sufficient to enjoy a reasonable life in society. They're earning \$12,000 and \$14,000 and \$15,000 a year. This great disparity in income is what exists in parts of the world where people become so desperate that they're prepared to take any means to justify a more equitable sharing of salary and the fruits of life in that society. Madam Speaker, surely in our society, we should be working towards greater fairness and equity in the salary levels that exist throughout North America.

Madam Speaker, we've heard talk about the concern in respect to doctors' salaries, and I won't dwell on that except to say that, in the pioneering days in Saskatchewan in respect to the development of health care as we now know it, communities in Saskatchewan - not socialist communities, Conservatives and Liberals and CCF as they then were - people in those communities said, we want a doctor, we need health care. So they formed a clinic, a community clinic, and they hired a doctor. They paid him or her a salary, and they got better health care.

But now we've got a system that is dominated by fee-for-service. Like the lawyers too often, like the accountants too often, everything is fee-for-service. In that kind of a fee-for-service climate, the cost of professionals continues to escalate. We have to shift in emphasis away from fee-for-service to reasonable standards of salaries for professionals.

If the Member for Gladstone has a question, I'd be happy to answer it at the end. Now, Madam Speaker -(Interjection)- well, the Honourable Member for La Verendrye says, like they have in Russia. Well, they have in many parts of the world professionals who work on salary. The honourable member might be surprised to know that we've got dedicated people in Manitoba who work on salary as professionals, and they don't feel that they are degraded or they're regimented. They choose to do that because they work a much more reasonable lifestyle. They have someone who takes their place when they leave. There is no discontinuity of service. There is an assurance of the income. They don't have to chase and collect bills for their services.

It is a much more reasonable and orderly system. They have holidays on a regular basis, and I don't think that saying that those people who opt that way, that they're communists. That's a much more reasonable, loving and caring form of contribution of professional services.

Madam Speaker, I also want to say that, in our Budget, we continue in a modest way to reform our tax system. There are no great revolutionary changes in this Budget. I would say I would agree with those members who have characterized this Budget as a relatively responsible Budget. I was going to say relatively conservative Budget, because there is no massive change involved in this Budget.

Well, my colleague from Kildonan says, careful. You know the word conservative is not a bad word. It's the application of it in politics that sometimes gets a little disturbing. But, Madam Speaker, surely in our society, the Honourable Member for Portage and others would agree that those who have very large incomes should contribute significantly more to the programs that we have, whether they be for education or health or social services.

But the sad fact of our taxation system today, Madam Speaker, is that the wealthy people, once they attain a certain plateau, don't continue to pay more and more taxes. We cut them off, we give them a holiday, and then we give them all sorts of loopholes in which they can avoid paying taxes, and then the honourable members wonder why we have deficits.

Madam Speaker, our tax system - and honourable members on this side have pointed this out - our tax system nationally cries out for significant reform. We had a study that was made by Carter back in the Diefenbaker days and, if that reform had proceeded, we would have had an equitable tax system extant in Canada today, but that report was put on the shelf and we continue to have a tax system that is a hodgepodge, such a morass of regulation, exception and provisos that it's almost impossible for a lay person now to complete their own tax form.

We have a system today where, under that tax system, we subsidize the exploitation of resources in this country. We subsidize their exploitation - gas and oil - and honourable members will know whereof I speak - the depletion allowances and depreciation allowances in those industries that allow for the massive writeoff of the cost of exploration, development and so on, to the extent, Madam Speaker, that the extraction of those resources is subsidized by everyone in society in Canada, and yet we sell them off as cheaply as we can to the United States. Madam Speaker, it's an absolutely incredulous system that we have.

Madam Speaker, one of the things that I regret in our present tax system is that we have in Canada a system where the wealthy can leave their wealth untaxed, undiminished, to succeeding generations and that whole generations of people can live off the income of others who have left. Surely, we should, like other countries of this world, provide that those who leave, after having secured the great benefits that they do from living in this free society, leave something of that bounty to the generations that follow and share it with all citizens in society. I refer, of course, to some measure of estate or succession taxes.

It's very difficult for one province to maintain a system and be an island in a sea of exception, and that was

the problem that we found ourselves in Manitoba, but surely, Madam Speaker, we, as a national society, should have the commitment and the political will, the social and economic will, to develop a system where there is some reasonable return to society of wealth when people pass on. I really sincerely believe that the time is long overdue when we reestablish some reasonable basis of estate or succession taxes.

Madam Speaker, I believe that our national community cries out for some redistribution of income. When I read in the newspaper and hear the commentaries and there is a dispute as to the cost, whether it is \$8 billion or \$10 billion or some say \$14 billion for the operation of nuclear submarines in the Arctic, I am distressed that in our society today we would see government making that kind of commitment.

We have at least within the world some voices of reason, some voices of concern about militarizing the Arctic. Madam Speaker, I hear those voices. I hear those voices of Mikhail Gorbachev, the President of the Soviet Union, saying that the Arctic should be demilitarized. I hear the leader of the Liberal Party saying that. Certainly, in our party, we have had a consistent commitment to no nuclear development in this country.

John Diefenbaker stood for a nuclear-free Canada, but now we have this new group in Ottawa hell-bent on providing nuclear submarines in the Arctic.

You know what John Diefenbaker would say about that? He'd say, "Can you just imagine those submarines creeping under the ice silently, waving the flag and saying, we are here." That's the kind of caustic criticism John Diefenbaker would have raised in Parliament in respect to that kind of proposal. Eight billion - (Interjection)- Yes, I liked old John Diefenbaker.- (Interjection)- Well, I didn't have the privilege to vote for John. I ran against his party.

I liked John because he spoke up for Canada. He spoke up against the absolute demand of John Fitzgerald Kennedy and others, that Canada accept the Bomarc missile, nuclear armed. He stood up to them.

Madam Speaker, when I consider the kind of money that's involved in having those submarines drift around in the Arctic, in that ice-controlled Arctic water and consider what \$8 billion or \$14 billion, whatever the number is, would do to provide international peace and good will, and take about half of that money, \$4 billion, or \$7 billion, whichever is the right figure - it's only billions anyway, you know, it really doesn't matter. That's of course, people who are making these military spendings, what's another billion?

But just think of the benefit that kind of spending could have in our global community to provide clean water to communities that don't enjoy clean water, to provide shelter for those who have no shelter, to provide the substance of irrigation and dams to return countries like Ethiopia to prospering nations feeding their own people.

Madam Speaker, when you consider the kind of positive good that could be accomplished by the utilization of those gross amounts of money for good in the world, surely we as members must also cry out and say, let's have a fairer redistribution throughout our world community as well.

So, Madam Speaker, it is with those concerns that we, while we have developed a Budget that produces

some greater fairness, some greater sharing, some greater protection, we must continually strive to do better for our own community. We should urge our brothers and sisters in Ottawa to do better in respect to the commitment to sharing through a fairer redistribution of wealth in Canada and throughout the world.

Thank you.

MADAM SPEAKER: The Honourable Member for Assiniboia.

MR. R. NORDMAN: Madam Speaker, it's a pleasure to be here and to participate in this debate. I don't intend to be long but I do want to put before the House some of the concerns that I have.

I am happy to be here on behalf of my constituency, Assiniboia. It is good to be back. As you probably recall last spring, before the House terminated, I had a bit of a health problem. It isn't entirely back to normal, but I am better than I was back last June.

I do want to make mention of one of the former members who is no longer with us, Mr. Desjardins, an old friend going back many years. We played baseball against each other and curled at the same club. I'm very pleased to see that he's back on his feet after his operation and living well.

Madam Speaker, last year the Provincial Government imposed a tax on net income which is applicable only to Manitoba taxpayers. Madam Speaker, every taxpayer in Manitoba will feel the effects of this bite that the Manitoba Government is taking on net income, 2 percent of net income right off the very top before any deductions are taken into account.

This leaves the average working man, woman or family with less available disposable income. Every working man or woman will be affected, another bite into what little disposable income that the average family will end up with. Couple that with the increase in Autopac and many other bites into what is left of wages leaves very little left for anyone to put away for future needs.

Madam Speaker, April 1 brings more bad news to the average Manitoban: additional tax on fuel if you drive an older model automobile that primarily uses leaded gas. The price will increase by - so it's only 0.9 cents per litre, but it's still something that the average working man can do without, another tax. The people who drive older model cars and those who can least afford the increase are going to be affected.

At the same time, aviation fuel will be increased by two cents per litre. This is going to affect every working stiff who has to travel throughout the country, or if it doesn't affect him it's going to affect the company that he works for. All they'll do is pass that added cost on to the buyer of their product. It's a vicious circle and there's nothing that can be done about it, I guess, at this stage.

Madam Speaker, while speaking of airlines, another area that is yet - it's undetermined as to what is going to happen - is the route British Airways will take under its new agreement with Air Canada, whether Winnipeg will become a stop en flight between London and the U.S., particularly the U.S. west coast of California. It just depends on what happens as to the results of the

improved air service between Winnipeg and London and California - may very well be influenced one way or the other by that same tax that I was just speaking of, on fuel.

Madam Speaker, more bad news for the travelling public. Manitoba Blue Cross will increase insurance rates as much as 51 percent for the Manitoba traveller.

A MEMBER: Bad news for the traveller.

MR. R. NORDMAN: That's bad news, definitely.

Travelling out of the country, I mean it's not bad in the city or in the country that we live in, but as soon as you step outside that or fly outside the boundaries of Canada, you're going to get stuck with a 51 percent increase in travelling costs.

The government plans to reduce its coverage to travellers under Medicare. Manitoba medical will no longer cover the 75 percent medical costs incurred in other countries. In other words, if you're travelling into the United States or into Europe where the Manitoba insurance, Blue Cross, covered you for all your expenses or practically all your medical expenses in foreign countries, now they will only cover approximately 25 percent. The province will pay what a Manitoba hospital would charge or receive the same service. In other words, Blue Cross will only pay about 27 percent of medical costs incurred outside of Canada.

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

Now I don't know what other insurance companies - I haven't looked into that - I'm speaking of Manitoba Blue Cross - but other companies will probably take up the slack somewhere along the line. But the traveller, people that have worked all their lives and finally have taken retirement and decided to go to a warm climate for the winter, they are only going to be covered by Blue Cross for 27 percent.

There is also a new policy to cover transportation costs for Manitoba needing medical care available only outside of the province. There is going to be limited coverage outside the province but not as much as what it has been.

Mr. Deputy Speaker, the end result to the average wage earner is less disposable income than before due to higher taxes and higher fees and so on.

Mr. Deputy Speaker, take the increased costs of operating an automobile. Everything costs more, gasoline is up - not the product but the increase in taxes is up. Insurance rates are up. From my own personal experience, I'm driving a 10-year old car and I'm paying about \$300 more today than the day I bought the car and having less coverage to boot. When I bought the car, I think I was paying approximately \$300 for that insurance; now it's better than \$800.00.

The effect of all these increases certainly has affected the disposable dollar. Restaurants and retail outlets are the businesses hurt most by the taxes and the licensing that we've just gone through. There just aren't the disposable dollars around.

The travel industry is bound to be affected. I speak of the travel industry because my son and I are involved in the travel industry, and we can foresee that people are not going to be able to travel as freely as what they have. Their cost for flying is going to be greater

unless you have the time and are able to plan your trips well in advance. You can't take advantage of the seat sales that come about, so it's not going to be any picnic.

On insurance, I previously commented on the increased amount to almost \$300 more than when the car was brand new. Mr. Deputy Speaker, I can't remember which one of the members on our side in his speech made this comment but it is a fact that Manitoba has been a province since 1870. Half of the deficit was accumulated since 1981 while the NDP was in power. It took 117 years to accumulate the total deficit but it took the present government now sitting six years to accumulate half of that total deficit. Of that, \$5 million is direct government debt and if you were to include the debt of the Crown corporations, the total would be \$10.5 billion. That's incredible.

Mr. Deputy Speaker, with regard to the write-off of debt amounting to \$180 million, such a staggering amount of money and with so little explanation, I feel that the Government of the Day needs to provide a more detailed accounting of its actions. It is truly incredible that so little explanation has been forthcoming. Mr. Deputy Speaker, Workmen's Compensation - I guess somewhere along the line I blew that one, it is Workers Compensation, not Workmen's Compensation. But what is the problem? In 1981, Workers Compensation had a surplus of approximately \$36 million and in 1986, five years later, we find that there is a deficit of \$86 million - a \$122 million differential in a five-year period. What happened? That's incredible that this could be - a loss of \$24 million over a year for five years.

Mr. Deputy Speaker, health care I shall leave in the capable hands of our critic, the Member for Morris, but it seems to me that health care is taking one step forward and two steps back, yet the costs of survival seem to escalate almost weekly.

Mr. Deputy Speaker, after eight days of debate, there isn't much that hasn't been said for and against the Budget. As for the Government of the Day, I know my contribution has not been of the quality of my leaders, but I did want to make my feelings known in this debate.

Thank you.

MR. DEPUTY SPEAKER: The Honourable Member for Elmwood.

MR. J. MALOWAY: Thank you, Mr. Deputy Speaker.

I always find it very interesting to listen to the members opposite and particularly hear the regurgitation of this brand of voodoo economics imported from the United States, first coined by Vice-President Bush when he ran for the nomination back in 1980. You recall, he called Ronald Reagan's version of economics voodoo economics and then a few months later became his vice-president. He's been a loyal follower of his ever since.

I also note that the Member for Minnedosa is planning his retirement and I imagine it's a well-deserved retirement after spending so many years in this House, of course always wanting to be in government but not having - his colleagues fall short. Of course, he's always told us that it hasn't been his fault that they haven't been over here. As a matter of fact, once again, I guess

it bears repeating, that their electoral record has not been all that great. I mean four out of five elections, that's what they've lost and we're going to make that five out of six, I believe.

You know, Mr. Deputy Speaker, they continue to call for cuts in the deficit. They call for cuts in spending. They call for cutting taxes. They want to increase services. Just today, the Member for Pembina was asking for more hospital construction. And they expect that somehow they can sell this version of voodoo economics to the public at election time. The voters I think know that the Conservatives are not serious. They also know that voodoo economics won't work. I mean, they tried that back in 1977 and what did we have for four years? We had voodoo economics and the people threw them out.

They also, Mr. Deputy Speaker, wanted to point out once again that the rich are the biggest winners under Tory tax reform. Of course, we on this side knew from the beginning that that's in fact what happened. As a matter of fact, the Winnipeg Sun article of February 11, they say that yesterday's Budget calls the last four years of Tory Government the years of progress. They might have been also called the years of taxation. After reform, the great majority of taxpayers are worse off now than they were in 1984. The richest people in the country are the biggest winners.

Tax changes wrought by Wilson since 1984 have meant that some of us are better off and some of us are worse off and probably most of us are worse off. The Tories put the big tax bites on in 1985 when they eliminated a low income tax credit and made taxpayers absorb almost all of the effects of inflation by abolishing the indexation of tax brackets and exemptions. These measures added hundreds of thousands of people to the tax rolls.

The Conservatives also gave 100,000 a year tax break for capital gains which benefitted upper income groups. I don't know that there is anybody in Elmwood who is benefitting from the 100,000 a year capital gains tax break that they brought in. I would suspect that there are a tremendous number of people benefitting from the capital gains tax break in the riding of Tuxedo, for example. But I don't think there are too many people in Elmwood who are going to benefit from that particular tax break.

Then came tax reform which basically took off all the people that had been added to the roll since 1984. Again, an example of smoke and mirrors, where they simply, on the one hand, give breaks to people and then on the other hand take it away.

In the first three fiscal years of Conservative rule, personal income tax has brought in an extra \$8.6 billion to the Treasury, an increase of 29 percent. Now, where did the corporate taxes figure into this, Mr. Deputy Speaker? By comparison, they brought in only 5 percent more revenue in the same period.

So, once again, we see that tax reform Tory-style simply means what it always meant; and that is, breaks for people who have power, people who are rich and increased taxes, certainly a higher percentage of the burden put on those who are the least able to afford to pay.

The Leader of the Opposition, of course, much the same as his federal counterpart, Michael Wilson, believes that the rich pay too much tax. The Leader

of the Opposition has been calling for tax cuts this week and his official Finance Critic wants taxes raised to pay for health care. As in Hansard on Monday, February 29, Mr. Manness was quoted as saying, "Tax for it, don't borrow it."

Mr. Deputy Speaker, in fact the Members for Morris and Pembina both want more spending in health care even though the deputy Leader of the party wants more health care spending. The Leader of the Opposition, on Monday, said that the provincial funding for health and education was sufficient.

So, once again, the Leader of the Opposition is flip-flopping. It reminds me of those famous Sunday press conferences during the last elections. Remember the programs for people? I think most of you recall that whole effort that didn't prove to be all that successful where the Conservative party tried to masquerade as something a little more progressive than it really was.

And, of course, people saw through that and it didn't work. But interestingly enough, there are a couple of items in this particular brochure which you would not find in an NDP brochure. A lot of what's in here is hard for us to argue with, but there are a couple. For example, they asked for, once again, the elimination of the health and education levy. On the other hand the rest of the pamphlet talks about increased spending and here they call for a decrease in the tax rate.

Again, how do you square that circle? And they've not been able to provide the answers for that and probably the best part of the whole leaflet, immediately rebate 10 percent of Autopac premiums. Now, wasn't that a smart thing to do? Wasn't that forward-looking when at that time - and we'll get into that in the next 30 minutes - if they had checked with any of their friends in the insurance business in other parts of Canada they would have known that the industry was in trouble, and that in fact, this would not be a very good idea at the time. But they did it, Mr. Deputy Speaker, in an effort, I think to attempt to buy the voters, buy the election. This is a carbon copy of what Grant Devine used successfully in Saskatchewan in 1982 and I think that's where they came up with this thing.

On the final page of the Programs for People brochure they say, "The Progressive Conservative Party has a plan for Manitoba." Well, we know all about that. We know there is a plan. There are several plans in there: the one that they're going to enunciate during election campaign and then the one that's really going to come forward. The one that came forward in the period from 1977-1981, that's the real plan - the privatization and the basic hacking and slashing and burning - that members opposite are so prone to follow once they get in power, which is again one of the reasons why their electoral record is so dismal in the last few years.

As a matter of fact, Mr. Deputy Speaker, I happen to have a cartoon that was in the paper not so long ago showing a contractor holding blueprints and forms titled, Government Contracts, and a P.C. Party membership card in the other. The caption on the party card reads and I quote, "Don't leave home without it."

Mr. Deputy Speaker, I wanted to say that I, for one, was pleased to hear that Mr. Bissonette was acquitted a couple of weeks ago and of course was surprised that the Prime Minister himself fired Bissonette. The land itself of course, as we all know, certainly did triple in value. But the reason that I was pleased with this

acquittal was the fact that the Federal Conservatives were making some of the TV evangelists look pretty good.

Mr. Deputy Speaker, I wanted to also mention that there was a column in the Winnipeg Sun which certainly bears reference to - a couple of weeks ago by John Bertrand - and it's entitled, "Making a List and Checking it Twice." He has done this.

He has checked off Michel Cote; Marcel Masse; Sinc Stevens; Andre Bissonette; the CF-18; Meech Lake; Baie Comeau's new prison - patronage; Robert Coates and the German stripper; Tory news service; Tunagate; the Oerlikon Affair; Paris at \$28,000 a visit; Eric Nielsen and eavesdropping, - remember that - eavesdropping in the Liberal Caucus some 20 years ago; renovations at 24 Sussex Drive; refugees; Mila's interior decorator; security scandals; Mulroney's child teacher.

Now he says, "When Brian Mulroney and the Tories were swept into power in 1984 we were promised a brave new era in Canadian politics. We would have a government that we could trust, a government built on the twin pillars of decency and fairness. Go over the list one by one. Ask yourself this question: When is this new era supposed to start?"

I think that a tremendous amount of people, as reflected by recent polls, are asking themselves the same question. That is why we will see in the federal election that will happen within the next year, probably a quick end to a Conservative Government and a Conservative Party that has been out of power most of this century and probably for a very good reason.

Mr. Deputy Speaker, the Conservatives have tarnished the reputations of all politicians of all parties - federally, provincially and municipally - by all these scandals and controversies in Ottawa.

Mr. Deputy Speaker, I believe that Canadians do want a federal election before the trade deal has gone too far, the trade deal that was signed a couple of months ago.

Mr. Deputy Speaker, in today's Globe and Mail there is an article entitled, "A Hundred Ways to Wipe that Smile off your Face." Number 92 on that list, Mr. Deputy Speaker, is that with free trade and so on, the leader of Canada in the year 2,000 will probably be the President of the United States. In fact, there's a lot of people even in the Conservative Party, Mr. Deputy Speaker, who either believe that or are beginning to believe it.

I bring you an example here of a person who runs a very successful tour operation in Manitoba, one who probably many of you have travelled with in the past, called P.S. Holidays. In fact, Mr. Gavin Scott was a Conservative candidate in Ellice. A very right-wing thinker but a very competent individual, and he says in an article in the Free Press, Sunday, March 6, just last Sunday, Mr. Deputy Speaker, under an article entitled, "Tourism gives trade deal warm welcome," what he says is, "I'm a nationalist and against it. I'm worried it could mean integration into American society." So you see that you don't have total support within the Conservative Party for this trade deal. You might like to suggest that you do, but in fact you don't.

MR. E. CONNERY: Whoever said that? Nobody ever said that.

MR. J. MALOWAY: Gavin Scott, a previous Conservative candidate in Ellice - for the Member for Portage la Prairie - the man who claims to talk to speed bumps.

Mr. Deputy Speaker, I think it's fairly clear that eventually we are faced with a loss of sovereignty if we proceed with this deal. It's only a matter of time before you see the balkanization of the country and you see an integration occurring in which Canada will effectively be swallowed up by the United States.

Mr. Deputy Speaker, also, in terms of the deal itself, the Member for Arthur is one of the people over there who rides his high horse in favour of free trade, and maybe he doesn't buy the argument of the sovereignty question, but surely he should pay some attention to the business side of the free trade deal, and in fact, I have a copy here of a Bank of Nova Scotia study, and I'm certain the Member for Minnedosa probably would give some kind of credence to a bank study, being a banker. - (Interjection) - Well, that's true, he was with the Royal Bank. Maybe he wouldn't like the Bank of Nova Scotia analysis, but I'm sure that if the Bank of Nova Scotia comes up with an analysis, the Royal Bank cannot really disagree too much with it.

But in any event, it's got "Confidential" marked on the front of it - "Free Trade in North America: implications for credit risk, broader economic considerations." Now, Mr. Deputy Speaker, in this particular analysis by the bank, they state that while a services sector will be a net loser, that both the manufacturing and the agricultural sectors are small net negatives under free trade. Mr. Deputy Speaker, they suggest that a broad-based deal embracing these areas would produce some serious losses in the process of restructuring, and in fact, they suggest that the route to go would have been a narrower agreement.

Now what we're talking about here is a bank study which will no doubt have an effect on lines of credit with companies. If a company is a marginal company to start with, and they rely on continuing lines of credit from the bank, it could be impaired by this very document. The loans officers in banks and credit unions are not going to be very willing to extend lines of credit or even keep existing lines of credit when they've got a study like this that's telling them that they should pull back from areas that may become risky.

Mr. Deputy Speaker, the report goes on to say that beyond resources, all other major sectors are net losers. In manufacturing, the losers will be hit up front while the winners will tend to collect further down the line. They say that we estimate that free trade will be a small overall negative in manufacturing. This small negative reading reflects a hard hit on small manufacturers. Well, again, just what makes up the Manitoba economy if it isn't a lot of small manufacturers and the Canadian economy as well?

The agricultural sector, of which the members opposite profess to be the spokespeople for, and . . .

A MEMBER: Profess, yes.

MR. J. MALOWAY: Profess, that's correct.

What does it say about the agricultural sector? It says, "The agricultural sector is at serious risk in poultry, dairy, fruit and vegetables. We estimate free trade will

be a small overall net negative in the agricultural sector." They say, "The setback in poultry, fruits and vegetables could be quite sharp and similarly for food processing in these areas. Unavoidably, free trade in the service sector will produce a net negative impact of at least medium size. In general, the Canadian service sector is smaller, weaker and less competitive compared to the service sector in the United States." Once again, an admission that this sector will be adversely affected by the trade deal.

It also goes on to say that there'll be a big hit on trucking services and railway services. Well, Mr. Deputy Speaker, in fact there's about eight or nine of the 15 major trucking firms in Canada who are headquartered right here in Winnipeg.

A MEMBER: Not for long.

MR. J. MALOWAY: And the Member for Arthur says, "Not for long," and this is being borne out by the analysis from free trade.

"Free trade services," they say, "if it's attempted, also promises to be a sizeable net negative. Small manufacturing, agriculture and services will be net negative." So, Mr. Deputy Speaker, it's not as rosy a picture as the three musketeers across were saying it was going to be when they were heading off to the Peace Gardens, or wherever they were going, to have this meeting - without their leader's knowledge, I might add.

So just a summary of the measures. Manufacturing is indicated here as being a loss of minus one, agriculture, minus one, services minus two. The big losers will be the clothing industry of minus four, the food processing, poultry and a number of others, Mr. Deputy Speaker, which time does not permit me to get into the entire list.

Mr. Deputy Speaker, I also have an article here entitled, "Business told to be lean and mean in free trade." Well, I don't know how much leaner and meaner they can get because before the last recession that was the talk - business had to get lean and mean and get into the 1980's because it was facing offshore competition in automobiles and that.

Well, it's 1988. We're looking down the barrel of a free trade deal and what do we have but articles saying, "Business will have to be leaner and meaner if Canadians are to reap full benefit from free trade with the United States, says a new federal council study that's studying the proposed trade deal." Well, what that really means is that we're going to have to level off the playing field, that we're going to have to go and adopt the laws of the right-to-work states like Alabama and Mississippi, and we're going to have to level that playing field out so that employers here can pay \$2, \$3 an hour and displace workers that are earning \$10 and \$15 right now. That's what's going to happen. And they go on to say that as many 25,000 Canadian workers per year will be displaced on an average during the first 10 years of the free trade deal. So that's a quarter of a million over a 10-year period.

Mr. Deputy Speaker, what is likely to happen is that a whole lot of companies who set up shop here over the last 20 or 30 years because they had to, to properly compete in the market, will in fact now set up in right-

to-work states like Mississippi and produce their goods down there at much lower cost and simply send them back to Canada. So, for people who think they're going to be able to buy the odd American goods free of tariffs and for a few cents less because of free trade, I want to ask you how they are going to be able to do this when they don't have a job, when they're not earning any money in order to pay anything. If their wages drop from \$10 to \$3 and they save \$1 on a U.S. product, how is that supposed to help them out?

In summary, Mr. Deputy Speaker, from my own personal point of view, the sovereignty question is the biggest question in this whole area, that we're going to be on this slippery slope to oblivion, eventually as part of a continental American system. On top of that, I do feel that the deal itself is not going to be a very, very positive thing for Manitoba or Canada.

Mr. Deputy Speaker, I did want to deal for a moment or two about the tax increases that the Federal Conservatives have brought in, in the last four years, and also to make some comments about the Conservatives here provincially in that they can criticize us for bringing in a Budget which is basically containing and arresting the growth in the deficit, but they can support a federal Budget which has a worse record, which doesn't rein it in to the same extent.

The Winnipeg Sun, Monday, February 15: "Tories tend wrong plot," so it reads. "Filmon praised Federal Finance Minister Michael Wilson for his plans to trim the federal deficit, even though the Minister admitted the deficit would be cut only slightly over the next few years. Had this same Budget been brought down by the Provincial Government, we would have expected Filmon to attack it for its lack of commitment to cut the provincial deficit. Now however, it appears Filmon is content with deficit reductions of less than 3 percent, as indicated in the Federal Budget."

They go on to say: "This is good news, no doubt, to Manitoba Finance Minister Eugene Kostyra, who can expect all sorts of praise from Filmon by projecting provincial Budget cuts of up to 30 percent."

Then they say, "Of course, that's not going to happen."

Again, where are all those accolades from members opposite for the efforts of the Finance Minister? They go on to say that even if Kostyra slashes the deficit in half, it won't be enough for Filmon, that he will assail the Finance Minister no matter what the Budget shows.

They go on to say that Filmon said after last week's Throne Speech that the NDP has no plan, no blueprint, that he should take a look at his own words, that praising deficit cuts of 2.4 percent nationally, criticizing cuts of 30 percent provincially is hardly a stellar plan for the economy.

"The Tory leader had better start to create a consistent policy, not one in which he automatically praises anything done by the Federal Conservatives and automatically criticizes the Manitoba Government. He is, after all, supposed to be running to lead Manitobans, not angling for a seat at Brian Mulroney's right hand. If we wanted a federal apologist, we would have drafted Jake Epp."

I'm sure he could agree with that last statement.

But this is the case. He is not really showing any degree of fairness in that he hops on the bandwagon to support the Federal Government whenever they do

anything, and he's quick to condemn us for basically showing even a better record.

Let's look, Mr. Deputy Speaker, at federal tax increases over the last three years. I draw your attention to the House of Commons Debates, February 11, 1988, page 12872. Mr. Nelson Riis, the NDP MP for Kamloops-Shuswap on tax increases, effect of tax increases, federal tax increases on the average family. Today we had members opposite going through the litany of provincial taxes that are supposedly being a big burden on people living in Manitoba and not making any reference, not giving any balance, to all of the federal taxes that have to be paid as well. Certainly, the provincial tax load is there - it's got to be recognized - but the federal tax load has to be recognized as well.

Mr. Deputy Speaker, the Member of Parliament says, and I quote: "In 1984, an increase in oil and gas price costs the average family \$200 per year; the increase in unemployment insurance premiums costs the average family \$102 per year; the sales tax increase costs the average family \$150 per year.

"In 1985," a year later, "the elimination of the federal tax reduction cost the average family \$100 per year; modification of indexing cost the average family \$115 per year; the cut in family allowance cost the average family \$22 a year; cigarette and alcohol tax cost \$75 a year; sales tax changes \$150 a year; gas tax increases \$50 a year.

"In 1986," Mr. Deputy Speaker, "the 3 percent income tax surcharge cost the average family \$170 a year; sales tax increase cost the average family \$150 a year; cigarette and alcohol taxes a further \$20 a year.

"In 1987," Mr. Deputy Speaker, "the gas tax increase cost the average family \$150 per year; sales tax changes cost the average family \$15 a year; cigarette and air ticket tax cost the average family \$35 a year.

"In 1988 the gas tax increase will cost the average family \$50 a year." Now the grand total, Mr. Deputy Speaker, is \$1,124.00.

Of course, what they don't tell you is that, once the election is over and if they were lucky enough to be the government again, in fact they would be bringing in the sales tax. So in fact it's another situation of smoke and mirrors, Mr. Deputy Speaker.

After increasing taxes by some \$22 billion in just three years, the Conservatives have now offered back \$2 billion as part of their upcoming federal election campaign, again just a giveaway before the election campaign to soften people up to get them in a better mood. Average Canadians after Tory tax reform, Mr. Deputy Speaker, will still be paying \$1,000 more a year than they were in 1984. Under Tory tax reform, Michael Wilson lowered the maximum tax rate from 34 percent to 29 percent. For anyone with taxable incomes over \$55,000, this will bring them large cuts this year.

So we see, Mr. Deputy Speaker, that this whole question of tax reform, helping the rich, has in effect helped a constituency that traditionally votes Conservative, traditionally supports the Conservatives. For example, Mr. Deputy Speaker, a family of four with an income of \$20,000 will pay some \$250 less in direct income tax this year. A family with income of \$40,000 will pay \$525 less. But the real winners, Mr. Deputy Speaker, are the families with incomes of \$75,000 or more. They're going to save \$1,100.00. So you can see again, the real winners are those people who

traditionally vote Conservative and traditionally contribute to the Conservatives.

Once again, they have not told us what they will be doing about the sales tax, which they are certainly going to bring in as soon as that election is over, Mr. Deputy Speaker. Thank goodness they backed off on their tax for food, but perhaps that's something that they will leave again till after the next election.

I understand, Mr. Deputy Speaker, that I'm running short of time, so I'm going to have to skip ahead here a bit. I wanted to certainly get my little quiz in before I got to the end, because I thought members opposite would enjoy a little bit of participation here.

What provincial Conservative Government lost over \$256 million on one project? Does anyone know the answer to that? We have no takers on that. Well, because we're short of time, I'm going to have to give you the answer. The Tories and it was on CFI. The Member for Sturgeon Creek likes to ride that horse, ride CFI. That's one he's never been able to successfully explain, and he never will.

All right, Question No. 2: What Provincial Government spent some \$500 million on a railway to the wrong mine? Does anyone know this one? - (Interjection)- B.C., yes, getting close, B.C. The B.C. Secords, which are sort of a cousin of the Conservatives.

Mr. Deputy Speaker, what Provincial Government first approached Flyer Industries with offers of loans and government assistance? Who would that be? - (Interjection)- Duff Roblin. The Member for Inkster got that one right quick.

Mr. Deputy Speaker, what Provincial Government started Project IDA, a scheme that lost some \$2.5 million? - (Interjection)- That's right, the Tories under the Member for Pembina.

What Provincial Government started project Fast Alarm? That was another flop that caused taxpayers some \$7 million.- (Interjection)- Once again, the Member for Pembina.

What about MTS and Saudi Arabia? Who was the genius that got Manitoba into that country? - (Interjection)- The Member for Pembina scores again, and we wonder why he was dumped as Deputy Leader.

Mr. Deputy Speaker, one last one here - here's an easy one - who said that acute protracted restraint was necessary, as he cut funding for education, health care, social services, and shovelled out contracts to independent economist, one John McCallum? - (Interjection)- That sterling judge and former MLA for Charleswood.

And finally, one more for the books: Who got the MPIC into the worst reinsurance treaties? - (Interjection)- Once again, those Conservative businessmen opposite who make all these correct decisions that get us into the tremendous messes that we've had over the last 15 years. And again, no wonder the public don't trust him, \$22 million, Mr. Deputy Speaker.

How much time do I have? Five minutes?

Mr. Deputy Speaker, Frances Russell, in an article a couple weeks ago in the Free Press, states that, when the Conservatives were in power, when the Manitoba Telephone System first decided to go into business for itself, Project IDA, costing a minimum of \$2.2 million, was launched in 1979 and wound up in December 1981. Project Fast Alarm was started in March, 1981, and in a news release, Don Orchard, P.C. Pembina, then

MTS Minister, was, ". . . enthusiastic about a 'good example of technology working for people.'" That's what he said in 1981. Of course, we all - and then, Mr. Deputy Speaker, once the Sterling Lyon Government was in power, however, MPIC reinsurance business began an earnest. In its 1979 report for the Lyon Government on MPIC, Michael Burns stated that they'd adopted a conservative approach in dealing with reinsurance. It wasn't until, of course, last year that we realized that those contracts that the Conservatives had signed had lost something like \$22 million.

Mr. Deputy Speaker, I had an awful lot more material here, which will have to wait for another time and, if the members would give me leave, I would be happy to go on for some time more, but I think we will have to simply wrap up by making just a couple comments more about the MPIC and simply say that, had it not been for the establishment of the MPIC back in 1970, we would not have \$280 million here.

If the private companies had been operating in this province, they may have had investment money over those years, Mr. Deputy Speaker, but that investment money would have been taken out of the province or would have been invested in things like Burger King and other socially useful projects, but the MPIC has invested its money in things like hospitals, in schools. I could give you a list of a lot of them right in the member's opposite riding, and that of course will have to wait for the next opportunity I have. I will be very happy to put on record a lot of the money that the MPIC has in members' opposite ridings.

Also, there was a very good interview on the CBC on February 29 with Mike McCourt, which basically expresses the view that the insurance problem, the automobile insurance problem, is in fact a world-wide problem. It's not limited to Manitoba. It's a national problem in Canada; it's an international problem in the United States and, in fact, it was the insurance industry that was caught napping when in fact they knew that rates were going to be going up. When claims were coming up, they were in a state of shock for a year or two, thinking that this was some kind of aberration. They were waiting to see if it would pass and they were caught napping. The result is that, right across the country, there have been tremendous losses, and insurance rates for automobile insurance have gone up all over the place.

Thank you, Mr. Deputy Speaker.

MR. DEPUTY SPEAKER: The Honourable Member for Gladstone.

MRS. C. OLESON: Thank you, Mr. Deputy Speaker.

The member who was just speaking remarked that he had a great deal more material that he could be using, and I would suggest that perhaps he would put it in a box, similar to the box used by the Member for Gimli a year or so ago, and send it to the Archives.

It is a pleasure, Mr. Deputy Speaker, to rise today to speak on the Budget. There are several items which I would like to discuss but which time does not permit, but there are one or two that I want to zero in on because I think they are of great importance, not only to my constituency, Mr Deputy Speaker, but to all Manitobans.

The Budget Address is a hard one to really discuss if you want to get right down to the basics and discuss a Budget Speech. It's a curious document, full of high-sounding phrases and self-praise, slamming the Federal Government, complaints about what the Federal Government has done, not any real direction as to what we in Manitobans would like to see. It's designed to deflect the attention of Manitobans away from the issues which are uppermost in their minds.

Now, Mr. Deputy Speaker, what is uppermost in the minds of Manitobans these days? Well, judging from the letters that cross my desk, there are a great many things that are on their minds to do with last year's Budget, which of course is still in effect, all the taxes that were raised in last year's Budget, some of them just really coming into effect this year. So they see that this really wasn't such a good news Budget after all. All the rhetoric in that Budget Address, Mr. Deputy Speaker, won't deflect the attention or convince the people that they have a competent government which is running their province wisely, and that they are getting the most value for those hard-earned tax dollars which they are sending to the government.

So that's what it's all about, Mr. Deputy Speaker. People are basically fair. They are. They don't like paying taxes, but they know that taxes have to be levied. They know that these services and other things that they need so badly have to be paid for. So when they can see that taxes are fair, they are quite happy to pay them - not maybe happy but they will pay them.

But people are not particularly impressed at paying high taxes, increasing taxes, licence fees and all the fees that are levied to support an incompetent government. They like to see that they're getting value for the money that they are putting into this province. Mr. Deputy Speaker, they are telling me in no uncertain terms that they are not getting the value that they would like to see for their hard-earned tax dollars.

Mr. Deputy Speaker, the government has stated, as one of its major preoccupations and interests, an emphasis is going to be on the health care system. There are, no doubt, reasons for this. One of the reasons may be that they can see, and they're being told just the same as we are, of the state of the health care system. Another reason may be that they've also been reading the Free Press - a newspaper which they don't always agree with, of course - but a poll done by the Free Press pointed out to them very clearly that one of the subjects uppermost in people's minds was the health care system and that they would do well to look at it more closely and pay more attention in order to get re-elected.

Now there are many aspects, Mr. Deputy Speaker, of the health care system we could talk about. It's a large and diverse subject and perhaps members would do well to read some of the bulletins that have been sent out by the Manitoba Medical Association discussing health care. One of the headlines, and I quote, "Government fails to recruit psychiatrist to Brandon. The Brandon Meantal Health Centre, with more than 400 in-patients and responsible for serving southwestern Manitoba's 210,000 people, does not even have one full-time psychiatrist." Or maybe they could read the one about "Waiting lists for urgent surgery continue to grow." That one should get their attention.

I won't go into reading all of those, Mr. Deputy Speaker. I imagine they're available in most doctors'

offices. I think that's where the Manitoba Medical Association usually sends them. So they're readily available, and if members don't have a copy, I'd be glad to forward them a copy of mine later.

As I said before, there are many aspects of health care which could be discussed, and other members of the House will raise this point with the government, particularly members of the Opposition. There is one aspect of health care which I want to raise today which is important not only to all of us in this Chamber but to everyone in Manitoba, and that is the subject of cancer treatment.

The Minister, in answer to my questions regarding the Cancer Foundation, went on at great length to tell us how he cares about it. He, Mr. Deputy Speaker, is in a position to do something about it. He cares; he's in a position to do something about that. This government thinks that the answer to every problem is money.

In response to any question which is asked in this House by the Opposition, we get a tirade on money - that they have spent a lot of money, or they don't want to spend a lot of money, or many, many times, of course, they will blame the Federal Government if they foresee that there is a shortfall. Funding money seems to them to be the answer to every problem. Name a problem on any subject and they will talk about the money that has been spent on it.

I raised in this House, Mr. Deputy Speaker, the subject of the Cancer Treatment and Research Foundation. When I raised the question about delayed treatment, what sort of an answer did I get? He accused me of fear mongering, the Minister did. He, for some reason, blamed the Federal Government for the problems at that institution. He quoted the amount of money which had been allocated to that facility over the past few years. He was very quick to produce figures on money that was spent. Once again, he thinks that the only answer is money. Sometimes, Mr. Deputy Speaker, the answer is not just money. It is how the money is used. The Cancer Foundation and other facilities like it can always use more money. There isn't an institution in this province that would say no to more funding. That is not the issue that I want to discuss today.

I propose to tell the Minister and the members of the NDP Government some things that they may not be aware of of what has been happening at the Cancer Research and Treatment Foundation, although the Minister, being a member of that Foundation, should be aware of the problems there. He should be aware very intimately of what is going on. I realize, of course, that he is a recently appointed Minister, but I think perhaps he has had time to have some inkling of what is going on in that institution.

I have been called many, many times about problems at that foundation. The former Minister of Health, in response to my questioning last Session, he launched into a diatribe on how much money had been dedicated. He thought that was the answer. The present Minister followed the same path in response to my questions - once again a diatribe about money spent, together with a lecture on me for even raising the question, and a great deal of verbiage about blaming the Federal Government as I said before.

Well, people tell me things about that institution. They ask me to speak for them because they are muzzled,

Mr. Deputy Speaker. They are not allowed to tell anyone what problems they are having at that institution. They dare not come forward in person to tell their concerns. So I think it is beholden on someone whom they have raised it with to bring them to this House and to not be accused of fear mongering for doing so.

This NDP Government has been informed on many occasions over the years that there were problems at the foundation. The former Minister of Health said in the House, in answer to questions by one of the members of the House, that he consistently had calls, and over the years, I am told, he has had letters to that effect, warning him that all was not well with that institution and that steps were needed to be taken immediately to address the problems.

A report, dated November 1984, gives quite a broad picture of what the problems were that were being experienced at that time and that you also gave suggestions for their solution.

Now let us look at some of the problems that report tells us about, Mr. Deputy Speaker, and I quote: "The Sagittaire is currently running at up to 150 ports per day, some 50 percent in excess of its rated capacity, and operates 12 to 14 hours per day, commencing at 0700 hours. This has been achieved by staggered work hours and it has resulted in a drop in the technologist coverage for these major treatment errors, a trend which should not be allowed to continue. When treatment is administered before and after normal working hours, other services such as hematology, paramedical and volunteer support are unavailable. Patients are seriously inconvenienced and the staff morale deteriorates due to the long working day. Extended shifts are not only expensive in staffing costs, and inconvenient to staff and patients alike, but also are most undesirable since patients must be treated without the availability of planning and mould room staff and other essential services."

Now this is in 1984, Mr. Deputy Speaker, so we would hope that some result came from this report having being written. I'll quote again from the report. It says, and I quote, "In particular, we must anticipate a continuing increase in the demand for high energy photon therapy. In spite of the 40 percent increase in incidence, the rate of referral to radiotherapy has been only 25 percent over the last 10 years, from 1,189 to 1,485 new patients. This is undoubtedly due to the severe shortage of radiotherapists."

Then I will quote from page 6 of this report - when I find it - where they discuss a 10-year plan for how replacements of machines at the Cancer Foundation are to take place. I quote, "the estimated replacement time for this machine is 1988." They are referring I believe to the Sagittaire; I may be wrong in that.

But, Mr. Deputy Speaker, the Minister in his answers to my questions the other day said that there is a replacement machine. I know that. I've been told that it isn't in place yet, it won't be in place until October of this year, which is four years after this report was written, Mr. Deputy Speaker, in which they pointed out that even though the machines were going to be replaced in this fashion later on that there was an urgent need at the time.

I quote, "In order to meet both the short-term needs and the long-term predictions, an additional high energy linac would be installed . . . hopefully in 1985, but no later than 1986." -(Interjection)- We haven't got it yet.

Mr. Deputy Speaker, this report goes on, it's quite lengthy and it's full of a lot of technical things but it was pointing very clearly the need for some action to be taken at that time. I understand that things have not changed, there are still these problems.

Now this report was submitted and the people involved, who were concerned, thought that some action would be taken of course. They relaxed a little bit. They hoped for some change of direction which would improve the situation but nothing happened. They started to feel that they were being ignored by their government. The machines were breaking down regularly, resulting in long waiting lists for radiation treatment.

Attempts were made to communicate to the government and to the media the problems that were being faced. A letter was written in late 1986 to the former Minister requesting an outside group to assess the situation and see what could be done about it.

Finally, in early 1987, there was some investigation or a study done but it was not done by an outside group, it was done as an in-House project. Now, the staff had input into this report, they were promised immunity if they spoke freely about their problems and they made suggestions of what action could be taken.

But to this day, Mr. Deputy Speaker, no one over in that facility has seen that report. They were promised a copy of it. They had input into it, but they haven't had the report and more importantly than the report, there is no improvement in the situation.

Now, in May of 1987, the Minister replaced several board members. Again, the hope was held that there would be some improvement to the situation and the way that the place was functioning - again, no change. Here we are in the early part of 1988 and people are still experiencing problems. There are still waiting lists and no concrete hope that anything will improve.

(Madam Speaker in the Chair.)

Now I asked the Minister for this report and of course he didn't have it in his hand - I didn't expect him to. He bragged about the funds that had been raised and told us about the dollars spent but he still hasn't produced the report. People are still telling me that in spite of the fact that he said in response to my questioning that waiting periods were only as high as five weeks, I am told that at the first part of February they were six to eight weeks. Now, the Minister may feel that five weeks is acceptable; I don't feel that five weeks is acceptable. I hope, Madam Speaker, that I'm wrong about this. I don't think I am, but I -(Interjection)- just wait till I'm finished. No, I'll answer his question when I'm finished.

Now, as I said before, I do hope I'm wrong. And if I'm wrong I apologize for bringing something to the House that is incorrect, but I've been continually told this, and I think it is a duty of mine to bring it to the House. These people cannot get any satisfaction from the way they've been going. They've been fair, they've been asking, they've been pleading for some help, and they haven't got it. As I said before, they've had ample warning. Nothing has been done, only an extenuation of the problems.

One of the things I see in this, Madam Speaker, is lack of accountability. If you get the annual reports,

which are very hard to come by, you can't find these things in the annual reports. They don't list what allocation is made for which type of treatment, and which other treatment.

When we hear, Madam Speaker, about machines running 50 percent longer per day than they should be, wearing out much faster, breaking down, causing people a delay in treatment, some people come from considerable miles for treatment. If the machine is broken down that day, it adds to the trauma of their problems.

What I would like to know and have not been able to find out, Madam Speaker, is what sort of budgeting goes on over there? What sort of allocations are made? Is there an allocation set aside every year, as most organizations should and usually do for replacement, orderly replacement of machines, or an answer to some new technology? Is there money set aside in the Budget for that sort of thing?

Those are the sort of questions that they can answer. Also, why is there such a shortage of radiologists? Why are radiologists leaving that facility? Why are we still short of radiologists? If this is a world-class system, which we're told we have world-class health care in Manitoba, why are people not beating a path to the door of that foundation wanting to work there?

The former Minister was a member of that foundation. The present Minister is a member of that foundation. They must get minutes of the meetings of the board; they must get reports. The report that I'm asking for must have been sent over at one time or another to the attention of the Minister. It was amazing, Madam Speaker, when I was up asking questions about this, the speed with which the Minister's staff brought forward answers to some of the questions that I was asking. It was absolutely break-neck speed, but a year of asking for a report apparently is too fast to be requesting it.

Now, if this was a positive report that gave good news, everything is fine, it would have been here long ago. We would have had it if the ink would still be wet on that report, if it had brought good news, so we have to wonder what is the problem here. Why is there no accountability with this foundation, and why are we still in this state of affairs?

We have to wonder if there is something being hidden. I don't like to say these things, because this is not the sort of thing that should be going on in our health care system. If we have world-class health care, we should be able to shout from the roof tops about what's happening. People should not be told that they cannot talk to reporters and talk to members of the Legislature about what's going on in that facility.

I have taken this opportunity in my Budget address, Madam Speaker, to bring this to the attention of the Minister in chronological order so that he may fully understand it. Maybe he's getting bad advice, I don't know.

He'd better find out though what is going on because, if we're being told in this province that we have world-class health care, then I think we have a right to be able to believe it. But sometimes, Madam Speaker, we have to doubt.

The health care system does not exist for the use of the government. It doesn't exist for the government. It exists for the people who need the health care. Health

care systems do not exist for the boards that run them. They exist for the people who use the care. I think that this government had better get its priorities straight, find out what is actually going on in some of the departments of health care.

There will be many more questions that I will be raising about this in Estimates, and I hope I get a clear picture of what's going on. As I said before, I have no way of proving whether I'm right or wrong in this situation. I am responding to people who are asking me for help. Now we're told continually, as I say, that we have a world-class system. Let's see that we get world-class care.

Thank you, Madam Speaker.

MADAM SPEAKER: The Honourable Member for Turtle Mountain.

MR. D. ROCAN: Thank you, Madam Speaker.

I welcome the opportunity to address the Budget handed down by the Minister of Finance. While I appreciate the generosity of having 40 minutes to outline my thoughts on this very important issue, I find it difficult to justify four minutes dealing with this trash.

Some Manitobans may be fooled by bafflelegab accompanied by charts and graphs, but most will deal only with what they know to be disposable income. The Minister can fed-bash all he wants, but the logic of that approach is lost on the reality of the situation faced by Manitoba taxpayers as they watch the value of their hard-earned dollar diminish.

The only growth industry in Manitoba is the Civil Service Commission, which provides employment opportunities for NDP supporters and those incapable of thinking and doing for themselves. Those poor souls who believe Big Brother is looking after them will sooner rather than later find out they've been led down a road of self-destruction.

The evidence of this government's ability to manage is expressed in the performance of their Crown corporations. I think we've all had enough. Future generations, while paying for this stupidity, will wonder how did it happen? As Manitobans become aware of this exercise in disaster, they realize, while it must not continue, it has to be stopped now. The legacy of the Pawley administration will be a model of financial incompetence for centuries.

As was once stated, you can fool some of the people some of the time but you can't fool all the people all of the time. This Budget does nothing to enhance the electibility of the government. Had the Minister of Finance wanted to impress the people who provided him with the opportunity to assume the role of Finance Minister, he should have, and especially with the help of 100-and-some-odd communicators, been able to present a more palatable pile of nonsense than he has presented us with.

The charade is over. The real identity of these unrealistic socialists has presented itself. It is now up to the people of Manitoba to suffer the consequences of believing this incompetent group of misfits. It is interesting yet frightening that the members opposite can be opposed to and in favour of NATO, Meech Lake, free trade and so on. They are like leaves in a breeze, never knowing where to fall. Now they have aspirations of federal responsibilities. God help us all!

Using the multiplier effect, Madam Speaker, of 25, that being the ratio of Manitobans to Canadians, consider the deficit these people would be able to generate, the countries they could alienate and the status we would have on a global scene. We could become a Third World country overnight, this as a result of their incompetence. Can you imagine what they could do if they tried?

Madam Speaker, as a Manitoban, I feel embarrassed to respond to questions regarding how our province is governed. Were the members opposite living in a real world, their services would be terminated in 30 days or less by an intelligent manager. Their ability to prey on the naivety of the electorate has kept them in power. They even lost the ability to convince these people they know what they are doing.

If they had any integrity, morals, ethics or scruples, they would step down and call an election and permit somebody to save this province before it's too late. The job at hand for the succeeding government is awesome and made more difficult with each passing day that these incompetents are in power. I wish I could devote 40 minutes to comment on something as important as the Budget, but it's not possible to be serious about nothing, and that is what I'm asked to do, comment on nothing, a big zero. Not one housewife can spend more than what is brought home. How long do you expect people to believe that government is different?

Why couldn't the Minister be honest and just let the taxpayers know what would happen if the markers or the chips were called in, or explain what being put into receivership means? Let people know what bankrupt means. It is bad enough that this government is financially bankrupt, but it is morally bankrupt as well, because they have failed to let the people know what they've done to this province and the impact it will have on generations yet unborn.

Nothing in this Budget is going to encourage private-sector business to our communities. We penalize those most able to create employment. We discourage performance and productivity, and we lose our professionals through our taxation policies. The labour-relations climate frightens off potential industry. The inability of government to control its spending causes major concerns among those looking for a location in which to develop new products and services. You've created a desert where there was once green pastures.

The future of this government is behind them. It would be best if they recognized this and stepped down and permitted some responsible management the opportunity to sort out this mess. We, on this side of the House, are the logical alternative of introducing management capable of steering a course that would more adequately reflect the needs of Manitobans and the potential of this province.

The Minister makes reference to the fact that, since 1981, he has consistently acted on the belief that social progress and economic progress go hand in hand, and continues. How much longer can this downward spiral continue with a Minister who is proud of it. Were he to spend some time talking to the people who can and will make things happen, he would soon discover that his strategy stinks for, as long as he communicates only with academics and idealists of the socialist persuasion, he will never get a glimpse of reality.

The real people of this province, some of whom I am proud to represent, are sick and tired of being taken for granted and being relegated to average status. The very phrase, "average Manitoban," is repugnant to those of us who are the offspring of the pioneers who made this country a great place to live without the help of Big Brother, and who has done everything possible to destroy their integrity, their creativity and pursuit of innovation. These people never saw fit to come on bended knee with hands out, looking for government assistance. Yet, this administration has encouraged and developed a generation of slugs.

Those parasites have developed an appetite for living at the public trough. They hang on and suck the life out of those people who still know the meaning of dignity and self-respect. This Budget reinforces a commitment of this government to these slugs. To them, it's called social progress; to me, it's called destruction of the human desire to succeed.

Only a very frightened and insecure person could be afraid of something called free trade, which only provides us with an opportunity for fair competition, or call it pay for performance. All it does is ensure that those who perform get paid accordingly. This is not to eliminate the need for those who, we understand, are incapable of performing, but it does eliminate pay for those unwilling to perform. Imagine the impact this would have on our Civil Service. Consider the dollar savings. Now, that would impact your Budget very dramatically.

We would challenge the government to a battle of wits, but we would be taking advantage of unarmed people. This government and all its priorities are history. Their record speaks for itself. It's been an exercise in futility and its cost will be borne for decades.

Let the Minister try and take credit for all his marvellous initiatives provided for by the Federal Government, which he so relentlessly bashes. The hypocrisy of this performance is obvious to all Manitobans. How successful would he be without the assistance of those he condemns? How can the Minister be thrilled about the health industry when he's closing hospital beds, when he's having confrontations with the MMA. And at whose expense? Somebody in the country who is terribly ill? Do you want our doctors under your thumb, like the rest of the civil servants, and sentence patients to mediocre health care?

Are you saying that Manitobans should have average doctors, like everything else in this province, average? Aren't we entitled to better? Why can't you guys get your act together and give Manitobans a fair shake? Why sentence them to lives of mediocrity, just because that's all you are capable of? Why not encourage, excite, stimulate, rather than wallow in nothingness. Our athletes were going for gold. You people can't even get the lead out.

Is it impossible for you to understand what leadership is? This Budget, like the last two, is a disgrace, and thank God it will be your last. The sooner this government is out, the sooner the suffering will end.

As a rural MLA, there is no evidence of attention being paid to the concerns of people outside the perimeter of the City of Winnipeg. Population distribution has shifted one way only into the urban areas. There must be a reason for it and, if the Minister is so proud of his accomplishments, what has he done

to stimulate the growth of small business from sprouting out where the real people live in the rural areas?

His Budget doesn't even address tourism, which is of considerable interest to some people bordering on - dare I say it? - the United States of America. Excuse me, Marty, for using that dirty word but, to me, it is like a breath of fresh air, where socialism is needed only by those . . .

MADAM SPEAKER: Call people by their proper constituency names.

MR. D. ROCAN: All right, sorry. The Member for Kildonan, Madam Speaker.

. . . where socialism is needed only by those insecure individuals who doubt their own ability to perform any meaningful tasks. They are to be pitied and, although we feel sorry for them, we are prepared to accommodate them and to help them over life's hurdles.

I'm sure I have constituents who would be able to provide some of the members opposite with a handout to save you from having to work and not having to get too close to the border.

It is with a touch of sadness that I comment on the Minister's last Budget from the NDP or the now-departed Pawley. For a party struggling to maintain any credibility, this Budget provides Manitobans with the opportunity to see clearly how inept this government is and how irresponsible it has been.

Theirs is a scandalous litany of bad judgment, goofy ideas, antagonistic policies, regressive measures that have cost us all more than we could ever imagine. Let the suffering end and put them mercifully to pasture where they rightfully belong. Permit the Province of Manitoba to get in step with the rest of the world and on with the business at hand; that is, to provide Manitobans with a future that they so rightfully deserve. Only a Progressive Conservative Government can undo the wrongs done by this administration and we should be permitted to begin as soon as possible.

If these people believe in justice, call an election and see what Manitobans think about their policies. Maybe some of the members opposite would muster up enough courage to recognize they have been supporting some ill-advised philosophies that are hindering the progress to which their constituents are entitled. The key word here is courage; follow one's conscience and not a party line.

For God's sake, stand up for Manitoba and don't go down with a sinking ship. That is why, Madam Speaker, they must not be allowed to continue and that is why I will vote for the amendment put forward by my leader to defeat this Budget.

MADAM SPEAKER: The Honourable Member for Minnedosa.

MR. D. BLAKE: Thank you, Madam Speaker. It's my pleasure to close debate on the Budget.

I want to say at the outset, Madam Speaker, that I'll be supporting the amendment proposed by my leader. It certainly covers just about everything, I think, that was wrong in the Budget. In spite of the glowing support that members opposite have tried to put on it, it missed the mark.

I must comment on the Premier's defence of it the other night. That was rather a wild display, I think one of the worst ones that I've seen him in. After listening on the weekend with his strong dedication to his strength and wills and that of his party to winning the next federal election, it seemed that the plight of Manitobans and the anxiety that has been caused lately seems to have been lost in his desire to help his counterpart in Ottawa to try and maintain the few seats that he has and maybe add one or two to them.

But I'm afraid, when we get to that point when the election is called, that confidence that seems to be there will dissipate very, very quickly because I'm sure there's not the confidence in the federal scene that they think there is in this government, because there's no question the people have lost confidence in this government. I'm glad the Premier's here.

The polls and the editorials all point to that. You ask many, many others; you ask the man on the street. The poll that I go on, Madam Speaker, is you ask some of the people out in the street and in the coffee shops and that becomes very, very clear and it's no doubt they're bankrupt of ideas and they have no principles. We know that, because the former Premier said at one time the name of the game is winning elections, even if it means bending your principles a little. Well, we know how far they can bend their principles on this side of the House, Madam Speaker, but . . .

A MEMBER: Misrepresenting them.

MR. D. BLAKE: The problems - there was a headline to that effect and if that's misrepresentation, we'll have to speak to those who wrote the headline.

Madam Speaker, the problems that are there - and I won't take too long, the Member for Gladstone had the same articles - but the health problems that we know exist, we were happy to see something in the Budget dedicated to health care and to try and maintain the health care system. We know it's very, very costly, but when we get publication after publication. "Waiting lists grow." in the December issue: "Ask Mr. Pawley" it says. If you wonder what this government is doing about health care, "Ask Premier Pawley." Why this government says on the one hand that it won't cut services to save money, but is doing just that on the other. Ask him why the waiting lists are longer and ask why some Manitobans are faced with enormous bills to cover life-saving transportation. It's public knowledge - (Interjection) - it's not Pawley's publication. If you would like me to table it, I'll table it.

Their second one, "Government fails to recruit psychiatrist to Brandon." What went wrong, Mr. Pawley? You know, we've lost 15 psychiatrists in Manitoba. If we hadn't lost them, they could have had one each over there, and Lord knows they need them. They had one each. The next one that comes out, February '88, "Waiting lists for urgent surgery continue to grow. We prescribe painkillers and ask them to endure."

Madam Speaker, there's been nothing but confrontation with the professions, with the doctors; if it's not with them, it's with the pharmacists; if it's not with them, it's with the nurses. We just go from one problem to another. The Budget did nothing to address those. These people have no understanding

of debt, how serious a debt problem can become. It was mentioned by my colleague from Lakeside the other day that it took 112 years to accumulate our debt that these people have increased - doubled - in the last six years.

You know, Madam Speaker, I always carry my bills in my right pocket, but I switched a while back because the government had its hand in my pocket so often and for so long that I switched to the left pocket. Now we've got a left-handed Finance Minister, so he's going to have his hand in that pocket and I had to switch back again because there's very, very little left. It's getting less and less. The disposable income, Madam Speaker, is just becoming less and less.

My colleague from Morris has touched on foreign borrowing so I won't go into that, and the Crown corporation losses that the Minister in charge of Crown corporations has tried to gloss over by bringing in the LCC and saying we made a profit where we wrote off \$189 million, but I won't get into all of the details on that, Madam Speaker.

I do want to say something about tourism and small business in reply to the speech by the Minister. You know, all he can do is bash the Free Trade Agreement. In a sensitive portfolio like he has with tourism - you know, he's been such a disaster in every portfolio that he's had, and the Premier must know that. I think he should be removed because he's doing nothing to enhance the industry. He was almost a no-show at the recent convention and he mentioned to the gathering that he was opposed to free trade. I won't dwell on the article, Madam Speaker, but the tourist industry is so excited about the free trade arrangement and it's the Tourist Association of Manitoba, the Manitoba Restaurant Association, the Food Services Association, the Alliance of Canadian Travel Associations and the Manitoba Hotel Association all strongly support free trade and they have the grassroots support to back it up. We've got a Minister who is supposedly representing their industry, is out knocking free trade and knocking their industry at every opportunity. Madam Speaker, it just doesn't wash. He could be doing something better than that if he's really in support of the people, if he's there at the request of the Premier and the Lieutenant-Governor. We know his involvement with the \$27 million lost on the MTX fiasco in the sand. It boggles the mind, Madam Speaker, when you watch the golf in Palm Springs on the weekend and see all those beautiful, lush, green golf courses. If you do some development and pour some water in there, it can flourish and grow. There's \$27 million being dumped out on the sand in Saudi Arabia, there's been no benefit in Saudi Arabia, and I'm sure there's nothing like a Palm Springs down there, anywhere at all.

I want to say a word on highways, Madam Speaker, because in the Budget there was absolutely nothing there for highways. We've got a new Minister who doesn't seem to have any more clout in Cabinet than the former one had. The capital Budget's been cut from \$203.8 million to \$201 million this year. It's cut \$2 million.

The Minister got up in his speech the other day, the Minister of Highways, and rambled on and on with statistics. I don't know who wrote the speech for him, but he just bamboozled all of us with his fancy footwork and the statistics that he threw out. But he has to come back to the world of reality. We can't live in the fantasy

land that he was trying to lead us to believe we live in. Then he ends up, of course, like they all do, blaming the feds and bashing for everything, saying they're not sharing their fuel tax with us, to put on our highways. We're not even spending the fuel tax and the fees that we take in to support our highway system. They can cry about that all they want.

Of course, when you're speaking about highways, Madam Speaker, you can't help but mention the famous bridge that we'll hear more and more about. I was in the Premier's constituency a week or so ago, and it's a bigger joke now than it was when it was built. In fact, it's not a joke any more, it's a pretty pathetic situation. - (Interjection)- It will probably be more than 20 before it's finished.

There's no through traffic across that bridge, Madam Speaker. The people in Selkirk are joking that they're going to put lawn chairs out there this spring, and they're going to sell seats there to watch the ice go out, because that's the only use they can see for that bridge. It's a vantage point to sit and watch the river flow, or watch the ice go out. Sitting, watching the river flow would be as exciting as listening to some of the speakers across the way.

But, Madam Speaker, it's in the wrong place at the wrong time. They're talking now about another one south of Selkirk because the Lockport bridge is old and is going to have to be replaced sooner or later. That \$20 million would have done wonders in other areas of Manitoba, even a little fraction of it would have completed the section of Highway 250 from Newdale to Sandy Lake, from Highway 16 to 45. That's been in the mill for quite a number of years. We hope it's going to be finished this year. The Minister will likely be having a delegation in to see him in a few weeks, if we don't get the land acquisition there.

But it's interesting, Madam Speaker, when I was in the Premier's constituency listening to some of the comments out there, I think he'll maybe have a very, very interesting election coming up, whenever it comes around. He's indicated that he's not going to contest a federal seat, but when he does call the election, it's going to be a very interesting contest in Selkirk. I'm going to be in my retirement in the Minnedosa constituency. I may have to consider seeking the nomination in Selkirk to make sure he stays at home.

Madam Speaker, agriculture received a very, very short mention in the Budget. The Minister could get up and say whatever he wants, but we know where the support for agriculture has been over the years. He's been told time and time again. Mind you, the former Minister was so stubborn and pig-headed that nobody could get through to him. The KAP people, the Keystone Agricultural Producers, the feedlot operators, the cattle producers, nobody could make a dint in him. Hopefully, there is maybe a little glimmer of light; we're not sure, maybe a little glimmer of light.

I hear from one farm group today that he finally fired the Deputy Minister which was a step in the right direction to start with. Now they might be able to get the ear of the Minister. But we have told the Minister time and time and time again what was happening to the feedlot industry. We all know how important agriculture is to our province. We have told them time and time again that the feedlot industry was going to rack and ruin because they wouldn't support the feedlot operators or allow them under the Stabilization Plan.

I had lunch today with people in the packing industry - that it's spelling nothing but disaster. The free trade deal has given them a glimmer of hope if they can last until the free trade deal comes in. You talk to them, they'll tell you this free trade deal is dandy but they need some cattle in the industry. Do you know how many thousands - the Minister can play dumb if he wants - and thousands of cattle have gone out of here and about all we've done is put on a debt mediation panel to solve some of the problems. The debt mediation panel is just a duplicate of the Federal Farm Debt Review Board. They had an opportunity to cooperate and put people on the board. The one board could have done the job, but no they've got to put - (Interjection)- that's not true. They've got to put their old party hack, Fred Tufford, as chairman at \$336 per diem, which is a pretty nice little reward. There's a difference between a chairman and a general manager.

A MEMBER: What does Doug Gourlay get?

MR. D. BLAKE: I'll you. The Minister said, what does Doug Gourlay get? They have one of the most capable dedicated former civil servants, former Minister of the Crown, former Member for Swan River, very respected, dedicated, highly qualified man running that corporation. Madam Speaker, I'm sure that he's getting nothing like \$336 a day. I haven't really got into the good stuff but I understand there has been a deal struck.

Madam Speaker, the way this government is going with the waiting lists for surgery and the waiting lists for everything else - there's a story that I would like to relate. I'm just not too sure where I collected it, but it was about waiting lists. In Russia, the waiting list for a new car is so lengthy that this chap had saved up and wanted to have a new car. So he went through all the bureaucratic people. He saw several, went through all the red tape, had his marker stamped all the way up the line. Finally, it got to the last guy, got the last stamp on there and the fellow said now you'll have to have the cash. So he put up the cash and he put the final stamp on the papers and he said okay, in 10 years you can come back and pick up your new car. The fellow said, morning or afternoon? Well, he said, what difference does it make, after all, 10 years from now, what difference does it make? Well, he said the plumber's coming in the morning.

The waiting lists are going to be that if our health care system carries on the way we're going, Madam Speaker. I know the arrangements have been made to give the Minister of Finance a few minutes. I didn't want to cut into his time. I hope that he'll be nice to us because we weren't too hard on him.

Thank you.

MADAM SPEAKER: The Honourable Minister of Finance.

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

It was some 10 days ago that the Budget was first introduced and this is actually my first occasion to engage in the general Debate because I did not have the opportunity during the Throne Speech to do that.

The Member for Minnedosa asked me to be nice and I'll start off on that challenge and hope that I can

end on that challenge by complimenting the Member for Minnedosa for his years of service to the Manitoba Legislature, to the people of Minnedosa. I understand that he's announced his retiring in a couple or three years, so I want to wish him well when that day comes.

I also want to compliment you, Madam Speaker, on the role that you have been playing as Speaker in this House and continue on the fine tradition of previous Speakers under very difficult circumstances.

I also want to congratulate one other member who has left the Chamber and that is the Member for St. Boniface and to certainly recognize the role that he's played in this Legislature over the many years that he was sitting as the representative for St. Boniface and also on the front benches of this government and the previous Schreyer government.

I also want to just mention that I continue to be proud to represent the Seven Oaks constituency part of the north end of Winnipeg. An area that is part core-area, part inner-city and part suburbia. My riding, I think, is very typical of most urban ridings because it has pretty well the average of people in the City of Winnipeg. The Member for Pembina talks about the tax machine referring to myself and I just want to dwell for a moment about the kind of constituency I have, because I think it is important in terms of the Budget Debate and in terms of looking at taxation and other things.

The average home price in my constituency as an example, Madam Speaker, is about \$75,000 and you know, the members have made much of the land transfer tax in the fact that it is an onerous tax on individuals, yet people in my constituency who can still buy homes at \$75,000 or less will not be paying any increase over that tax that was part of the previous Budget.

And, also I think and in fact I know, Madam Speaker, that there's a good number of constituents in my riding that earn salaries of \$19,000 a year. It was just a few days ago or less, most senior citizens in my constituency . . . - (Interjection)- . . . the members opposite say there's a lot in their constituencies earning less than \$19,000.

Well, isn't that an interesting revelation, Madam Speaker, because it was earlier last week in this House where the Leader of the Opposition, the Member for Tuxedo, laughed when I talked about a person earning \$19,000 who was paying less tax this year in the Province of Manitoba than they were in the previous year. And he thought that was funny that there aren't very many people who earn \$19,000, and now we have members here admitting that their Leader was wrong; that their Leader was wrong to suggest that people at \$19,000 are somehow non-existent in this province.

The reality is that there are a lot of people that are at low salaries. They're not all fixed income and they're not all senior citizens. They're not all people in the lower income brackets, but a lot of working people. As you're aware, Madam Speaker, your riding mostly know that there're a lot of people that are in that kind of salary and someone in that kind of tax bracket with family and dependents is actually paying less tax this year.

So, I'm glad that the Member for Pembina and the Member for Roblin-Russell agree with me and disagree with their Leader who expressed those kind of comments in this House.

As I said, this Budget which was brought down some 10 days ago is the third Budget that I've had the honor on behalf of the government to introduce in the last two years; in fact, it's less than two years that I've actually brought three Budgets. It seems like it was a longer period of time but that's the reality.

I think that this Budget does, indeed, meet the needs of Manitobans because it does protect and enhance the services that people in our province want maintained and want enhanced, Madam Speaker. It also does bring about fair and reasonable levels of taxation in order to meet those needs that people want through their services.

This particular Budget had no major increases in any level of taxation, other than those on the mining companies and some other selected taxes. So I think that it's gone a long way to meet the needs of Manitobans in a fair and reasonable fashion and at the same time bringing about a significant reduction in the deficit. I wanted to talk about that in a bit more detail in a moment or two.

At the same time we, in providing for those services, gave significant more amounts of money for things like health care, for community services, for other important areas. Education got a lot more money in this Budget, Madam Speaker, to maintain those services and in some areas provide selective improvements.

We also did streamline some parts of government operation and - unfortunately in some cases, other cases I think it made sense - had to reduce spending or control spending in other areas. Twelve government departments are seeing increases that are less than inflationary. Of those 12 departments, 6 are actually seeing year-over-year decreases in spending.

We've heard some members opposite, particularly the last member who spoke, complaining about the fact that a couple of departments received less money. So he's arguing and his contribution to this Budget Debate was that we should be increasing spending in a lot of areas, so that we should be increasing the deficit, which again runs contrary to the position that his Finance Critic, the Member for Morris, where he suggested that the deficit should be reduced significantly to \$200 million. I'll get to that in a few more moments.

We did bring about significant streamlining in government through reduction of senior officers, through reduction in communications and through other departmental reorganization of administrative personnel and personnel in the employee relations area.

I'd like, though, to spend most of the time that I have available dealing with some of the comments that were made by members in the debate on the Budget because I think it's important to deal with some of the points that were raised, some of the criticisms that were raised in the debate.

I want to, at the outset, say that I've carefully listened, while I was in the Chamber, to all members' contributions and those that I missed I read in Hansard and others I heard in my office on the sound on TV. I have to say that I was quite disappointed in most of the contributions from members opposite and was quite pleased with the contribution from members on this side.

On this side, I think there was one contribution in particular that I thought was one of the best

contributions in a Budget Speech from a member of the Legislature that I've heard for some time, and that was the contribution from the Member for Lac du Bonnet, who I thought dealt in a very non-partisan way with some of the broader issues that are affecting us as government, both in this province, indeed throughout Canada, and some of the problems that the world economies are causing on people in various parts of the world.

I also think, and I have to say this, that there was one contribution from members opposite that I found a great deal of interest in. It wasn't, I regret, my critic, the Member for Morris, and I regret it wasn't the Leader of the Opposition, but it was the Member for Emerson who I thought had some interesting comments to add to the Budget and the Budget Debates. I think he is quite open in some of his comments that he adds.

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

But I'd like to get into some of the criticisms that members opposite have made regarding the Budget. I'd like to deal specifically with the comments that the Finance Critic has made, the Leader of the Opposition, and a few others. On the deficit, they got up and said the deficit is still too high, that we haven't brought a significant reduction in the deficit, yet the facts indicate that we brought a significant reduction in the deficit, Mr. Deputy Speaker.

We brought it down to an all-time low, a six-year low in terms of the past deficits and a reduction of just under 20 percent over what the deficit was last year. In fact, if you look at the operating requirement, there's a significant reduction to \$66 million in this current year, the lowest levels of an operating deficit for some time.

At the same time, if you compare - and I know the members don't like any kind of comparisons with anything except when it suits their purpose - what has taken place with our deficit reduction, with the Federal Government deficit reduction, you'll see that there has been marked improvement and a much better record of deficit reduction in Manitoba than was the case in terms of the Federal Government. In fact, if you look at the figures, the federal deficit was decreased by some 5.6 percent year-over-year, yet the reduction in Manitoba was some 20 percent, or just under 20 percent.

In fact, if you look at our deficit - and I made this point during my original contribution to this debate - that we're in a better situation on relative terms, which I think is important. Members, again, don't like to look at things in relative terms, but we're in much better shape than we were in the last year of the former Conservative Government in terms of our deficit situation. That's not to say that we shouldn't be working to improve it.

But you know, the Member for Morris made some projections about the deficit, where it's going to go, and I'd like to remind all members of some of the things that the Member for Morris said about his projections on the deficit.

He said, in this debate, that he sees the deficit going up to \$670 million in the year 1999. It's interesting, because if you look at his comment, if you look at

A MEMBER: He's got McCallum's crystal ball again.

HON. E. KOSTYRA: . . . his projections last year, the same member in the same debate made projections last year in terms of what the deficit was going to be, and last year he said he projected a deficit of \$800 million by 1990, and \$2 billion by 1994, and now he's talking about a different deficit projection.

The Member for Morris says, "Oh, come on, Eugene." He doesn't like when I point out the contradictions in the statements that he made. He also made a statement which I thought that he would have the courage to get up and back up, when he talked about this current year's deficit, when he said that it will be impossible that we will be able to reach our deficit projection of \$450 million.

Actually, he was right, because we're actually lower than \$450 million. It's projected at \$383 million at the present time, and we on this side are going to work to even have that down lower. But he said, "It's my view that the deficit next year is not \$450 million. It will be closer to the area of \$500 million," Mr. Deputy Speaker.

He went on to say, in that same debate, that same discussion, that he would give me great - and I quote again, "I will give the Minister great credit if he brings in this deficit anywhere close to \$450 million." Where is the credit, Mr. Deputy Speaker? I think I shouldn't hold my breath for any credit coming from members opposite, particularly the Member for Morris.

The Member for Pembina asks, "Where's the beef?" Well, you know, I read with great interest his contribution to the Budget Debate, because I wasn't in the House at the time. This is actually the most interesting revelation in all of the Budget Debates that I've been able to refer to. Because he is, in effect, endorsing the position that we have taken, and in fact my Premier's taken, in terms of bringing about a reduction in the operating deficit, suggesting that once we do that, then that will be a significant accomplishment, and that also we should be dealing with capital deficits different than we deal with operating deficits.

Because you know what the Member for Pembina said, on page 504 on March 4? He said, "I remind him that during the years of the Hon. Duff Roblin, as Premier of this province, the Budget was balanced, it was in surplus position, and as a result of that we have the Winnipeg Floodway; the Disraeli Freeway"; etc., etc., etc., and he says now all we have is deficit financing in the Province of Manitoba.

Well, do you know what kind of surplus that the Roblin Government had, Mr. Deputy Speaker? They had a surplus because they excluded capital costs from the budgetary process at that time. It wasn't until some years later that the books of the province were changed to include capital expenditures on the books of the province - to include them. So in opposition to what the member is trying to say, that somehow the Roblin Government had a surplus, if he took that same criteria and put it in place at this point in time, then the deficit for this government would not be \$334 million but would be \$66 million.

I found that very interesting, because they always criticize us when we want to talk about operating deficits and capital deficits. But it's clear on the record that

the Member for Pembina agrees with our approach in looking at capital works and agrees in our approach.

I expect, Mr. Deputy Speaker, that when we bring the operating deficit in line and bring it into a balanced position, he will get up and he will compliment this Minister of Finance, if I'm still here, or one of the other members on this side who may follow in my steps as Minister of Finance. So I'm looking forward to those compliments from the member when we're able to bring that about, Mr. Deputy Speaker. (Interjection)- The Member for Sturgeon Creek suggests that my comments are somewhat childish, because I deal with comments that I'm reaching because I'm dealing with comments that the Member for Pembina made about the Roblin Government, and the fact that they were in a surplus position. I'm not reaching, I'm dealing with the facts, I'm dealing with the situation as it exists between an operating deficit and a capital deficit.

MR. C. MANNES: Well, gee, how come you missed your forecast of revenue by \$130 million?

HON. E. KOSTYRA: The Member for Morris is saying from his seat, how come I missed my projections? Is he suggesting that I should increase the deficit this year, from 383 to 415 so that I can get up and say, I made my projections? What kind of nonsense is that? We want to improve on the deficit, Mr. Deputy Speaker. We don't want to go in the other direction.

I want to spend a few minutes dealing with the issue of debt, because we've spent some time in the House on that particular issue. There has been some attention given to it by some members of the press. I was somewhat agitated, I think it was obvious, in question period today. The reason I was was not so much on the issue at hand, but in the way that the Member for Morris dealt with it, where he got up in a sanctimonious way in this House and moved the motion of privilege, and suggested somehow that I broke the privileges of this House. I quite resented that, Mr. Deputy Speaker, because I take very seriously the role of myself in this House. I take very seriously the rules of this Chamber and, any time that I've ever in the past - and I've been here for a few years - provided information that wasn't correct or that I had to say was wrong, I would get up and I would make that apology in the House.

Somehow, the Member for Morris, in dealing with a dispute over facts - and I'm going to spend a few minutes on that - suggested I was breaking the privilege of the House. I took great offense to that, Mr. Deputy Speaker, because that was the issue. It had nothing to do with improper records or improper figures. It was a dispute over facts, over specific figures. I want to spend a few minutes dealing with that, because that is an impression that was left on the record by that member, and also it's been repeated, unfortunately, in some newspaper reports.

Now, what I've done to help us discuss this issue is provide for the member the figures, as they would exist for the public debt as of December 31, 1987. Page, come here please. I'll ask him to take it over to the member so that we can both look at the same set of figures.

But somehow there was a suggestion that the figures that we used weren't the correct figures in terms of

the debt of the province. There was also some suggestion that we manipulated the valuation dates across. There was an article that appeared in the Financial Post and then was repeated in the Winnipeg Free Press which, interestingly enough, gave notice that it was going to come in a weekend edition and I even picked the headline, except that they decided to move it up a day to prove that I was wrong. They moved it into the Friday edition, rather than running it on the Saturday or Sunday when they would usually run that kind of thing.

But that article portrayed Manitoba's debt, and tried to suggest that it's the highest in all of Canada. In doing it, it tried to take a figure that might have existed as of December 31, and then compare it with figures of debts for other provinces back into the previous year. So it was talking about our debt this year, as projected as against other provinces in previous years.

It also suggests that somehow we put figures in the Budget that weren't accurate, that were somehow manipulative, and the figures that we used and the table that we used - I didn't say you used that, but the article certainly suggests that - and the figures that we used in the Budget were from one particular source, and we used them consistently in all of the comparisons between provinces, and that was through Midland Doherty. In the past, we used to use the Bank of Montreal, but they stopped providing that information.

Can you imagine, Mr. Deputy Speaker, if I would have used the source for those comparisons as the Department of Finance. Members would say, well, they're just cooking their own figures up. So we went and took an outside source and used them consistently right through all the document, and we are criticized for doing that, saying that they were incorrect. In fact, the figure in the one instance, in terms of looking at the debt between provinces, was incorrect, the one that was used by Midland Doherty, but it was actually incorrect on the high side. The actual figure should have been somewhat less than that when we checked their figures. Instead of the \$7,702 per capita figure, it actually should have been \$7,582.00. We had talked to the people at Midland Doherty and they indicated, yes, there was a small error made in their calculations.

But be that as it may, Mr. Deputy Speaker, the point is that we used a consistent source for the information so that we could provide information to the public, not based on what we said but based on what an outside institution said.

But let me deal with the specific issue of the level of debt and the different periods. I wasn't able to fully put on the record today the situation as it exists in other provinces because it was being suggested I was out of order, but I did indicate that there are different dates used across the country. The real date in Manitoba is not the date that appears in the Budget, but it's the date that appears in Public Accounts, which is March 31, the year-end. That is the actual date of the province's books and that's the date, if one wants to do actual comparisons, that is the accurate date.

We can take any other date and use it. We can take December 31, which I've just provided the member with. We can take the day it was in the Budget. We can take today's date and use it, because the debt changes day by day, either based on the change in currencies or if there is any subsequent borrowing. But

I just wanted to make sure that I got all the information on in terms of other provinces and I went through some of these dates. Let me just repeat them.

In Newfoundland, their Budget day was April 2. They used March 31. In P.E.I., it's March 24 and they use March 31. Nova Scotia is April 10 and they use March 31. New Brunswick, they don't give a specific date though they tabled it on April 28. Quebec uses March 31, and they table it on April 30. Ontario tables it on May 20 for March 31 and Saskatchewan, as I pointed out a few days ago, is March 31, tabled on June 17. Alberta is December 31, the only one I believe that is at December 31 other than British Columbia, which was tabled on March 20, and B.C. was March 19 for year-end.

I want to deal with the issue that the member raised that somehow, if you took the date of December 31, our debt would be higher. But I have now provided him with the figures on December 31, and I would like him to compare them to the figures that are in the Budget for the end of January. Again, you look at our debt in three different ways. You look at it on the basis of the actual Canadian dollars, on the basis of the Canadian dollars at full valuation at that particular point in time, or you can use it at the amortized book value.

Let's look at the worst figures, because those are the kinds of figures that the Member for Morris likes to use. Let's use the worst figures, and that is the Canadian dollar at valuation at that particular point in time. At December 31, it would be approximately \$10.8 billion. What is the figure in the Budget that he said was so wrong and was manipulative? It's actually approximately \$10.8 billion also. In fact, it's \$16 million lower, and the reason for that is that, on one side, the December 31 date would be higher because the currencies, particularly the offshore currencies - the Japanese, the Swiss, and the German - were at all-time highs against the Canadian dollar. But on the other side is that, in that period of time between December 31 and the date that was used in the Budget, we borrowed approximately \$300 million more so our debt increased by that amount. So, in essence, we actually provided more timely information showing the actual higher debt figure. Higher, if you look at it on the Canadian dollar at time of issue; and actually higher, if you looked at it at the amortized book value; and slightly lower, but just about the same as the Canadian dollar evaluation. So someone suggested that by putting those figures out in January we're trying to show a lower debt figure is simply not true. In fact, in total terms, with the additional borrowing that went on in the month of January, we show a higher debt figure.

I wish we could spend the time, and maybe we will have when we deal with my Estimates, to have a rational discussion about debt and not try these little tricks or little twists by motions of privileges and other things to try to sensationalize an issue that I think requires some very serious debate in this House. I would suggest that he do that and let's have a good discussion on really what are our debt is about, what it's used for, how we could get rid of our debt. As an example, we could get rid of \$4 billion of our debt tomorrow. You know how we could that? We could sell Hydro. We could lower our debt by about \$4 billion tomorrow. Just sell Hydro and our debt will be down. All of a sudden somebody could get up in this Chamber and say isn't

it great, we've got the lowest per capita debt in Canada. Why? Because we sold Hydro. And some of that would be good and that would solve our problems.

That's why I'm suggesting that we have a good rational discussion since I'm in his Chamber over debt but don't misrepresent the facts. Don't try sensational tactics with wrong information in order to misrepresent to the public the situation as it is with the debt and the assets of this province, Mr. Deputy Speaker.—(Interjection)— I would hope that the member, after being in a position of having to apologize once, and he didn't on the second issue, would start dealing with things in a way that is more in keeping in this House, and that it is more like the previous Finance Critic, the former Member for Turtle Mountain, did when he dealt with these kind of issues.

I've got some of the areas that I would like to talk about, but I would like to turn to some areas of comments that were made by the Leader of the Opposition, because —(Interjection)— the Member for Rossmere says which one — but the official Leader of the Opposition, because he made a number of statements in the Budget Debate, that I think are worthy of spending a couple moments on to talk about. He somehow suggested that things were much better during their time in government in the period of 1977 to 1981. He made claims that the government and the province were in great shape during that period of time. He was boasting with pride about those years, that they are not like the years we are in right now.

Let me talk about some of the things that he should of brought out in the debate when he talks about pride in those years. He should of talked about their Tory record from 1977 to '81. Is he proud that in the years of the former Conservative Government that Manitoba had the worst investment growth of any province in Canada? Is he proud of that fact? Is he proud of the fact that over the years of the former Conservative Government that Manitoba had the worst record of job creation? Is that the kind of record that he is proud of? Is he proud that in the years of the former Conservative Government that Manitoba was the only province that actually had a declining population in Canada? Is that a fact that he is proud of, when he talks about those glorious Tory years, or is he proud to use the conservative philosophy or the conservative concerns? Is he proud that during the Conservative years that there was a six-fold increase in the deficit? Is that what he is proud of? He talks about conservative economic policies, but he must be proud of the fact that during their time in government that there was a six-fold increase in the deficit in our province.

But I don't want to harp. I don't want to spend time talking about the Conservative years because they were sometime in the past now. Even though the members opposite like to think of those four years in the history of NDP Governments as something that were glorious years, the public obviously didn't support them in that because the public, when they had the opportunity in 1969, in 1973, 1981 and 1986 rejected that approach. But I think it would be important to look ahead, to contemplate what would happen if members opposite formed government. I was hoping through the Budget Debate that we would see some indication of what they would do. I was thinking because they would like to refer to themselves as the government-in-waiting, that they would spell out what they would do in government.

In fact, the Member for Morris did give some hint of that when he said part of the Budget, that the deficit should be \$200 million. This is a day or two before the Budget. He said that the deficit in Manitoba should be \$200 million. So I fully expected that when we got into the Budget Debate that we would hear from the Member for Morris, or the Leader of the Opposition, or the Member for Pembina, what their plans would be to bring the deficit down to \$200 million.

They made that claim, they made that challenge that it should be \$200 million, but they all avoided dealing with that. Not one of them got up in their places to say this is what we would do. This is how we would bring it about. The only hint we had of that is the comments and I quote what the Leader of the Opposition said, "If this Finance Minister can find 50 jobs that are wasteful or duplicated and \$3 million that can be cut from the Budget without affecting services, just imagine what a real Conservative Finance Minister could do, and a real Conservative Government can do. How much more money could be saved for the taxpayers if you really had somebody who really believed and understood conservative economics."

That is what the Leader of the Opposition said. That's all he said. He didn't go on to explain how they would do that, how those who believe in real conservative economics would bring this year's deficit down from \$334 million to \$200 million.

Is the Leader of the Opposition talking about the conservative economics of Margaret Thatcher in Britain, or is he talking about the conservative economics of Ronald Reagan in the United States? Those conservative leaders have used conservative economic theory to hack and slash away at public services in those countries. Is that the kind of thing he was talking about when he made that comment, or is he talking about the conservative approach of his Canadian friends in provinces like Alberta, Saskatchewan and British Columbia who are taking that kind of conservative economic approach in hacking and slashing away at programs? Is that what he was talking about when he made that comment about conservative economic philosophy and that a Conservative Minister of Finance would do it that much better?

(Madam Speaker in the Chair.)

He never went and talked about how they would come from \$334 million to \$200 million. He talked vaguely of some general reviews, and we'd bring in people in pinstriped suits to go through government and somehow we would come up with those savings from \$334 million to \$200 million.

The Opposition members always like to have the luxury of doing it both ways. They like to talk about how they would do it and then they talk in vague terms of how they would bring about those kind of reductions. I had expected that they would come out and clearly say what they would do if they were in government. Since they didn't, Madam Speaker, I'm going to do it.

I'm going to lay out for you a couple of options of what a Tory reign of terror would mean to Manitoba, if they were in government. If the Member for Morris was sitting in my place and brought about his prediction of a reduction in deficit by \$134 million, I'm going to outline for you, Madam Speaker, and for Manitobans,

the kind of Tory reign of terror that would exist in this province if they came into government.

They said we had to bring it down to \$200 million, so how would we do that? These are some of the choices that they would do. They always get up and say we will cut political staff. So, let's take away all the spending in the Executive Council, every dollar that is spent in the Premier's office in the running of the Executive Council. Let's take all of that. That'll amount to about \$3 million. They said, let's get rid of all the communicators. All areas of government communications including advertising, including Queen's Printer comes to about \$7 million. So let's take all of that out of the Budget.

In fact - we've got a long way to go to get a \$134 million - let's take the whole Department of Culture because that's where the communicators are in and we know their views about culture. Let's take that whole department out. We're still short, Madam Speaker, that gives another \$22 million if you add that up with the previous cuts.

Where would they go from there? We got rid of the political staff that they flag around every time they want to talk about cuts. We've taken all the communicators and every nickel and dime that's spent in this government on communications and Queen's Printer and on the printing of Hansard and all those kinds of things. If we had taken all of that out, where would they go to get the rest of the \$134 million?

Here's where I think they would go and there are a couple of options. In order to go - well, you've taken out the communiques, you've taken out the political staff, what about health care? It's going to take drastic surgery to get to the figure that you're talking about, \$123 million as shortfall would do away with all rural hospitals. Is that what you would do? Is that the kind of thing you would do to bring down the deficit?

But I think that they wouldn't do that. I think the Tory reign of terror would be much more balanced, Madam Speaker, I think that they would take a balanced approach to cutting the deficit. I think that they would look at such things as cutting funding to community colleges. Is that what they would do? They don't want to touch health care because they said that they would support health care and, in their election documents, they talked about even increased resources for health care. So what would they do? Would they turn to education? Would they cut out funding to the community colleges in this province? Would they cut out funding to the universities? -(Interjection)- The member seems to indicate that is the kind of approach they would take. But if you throw in the home care program - if you take out the community colleges, the university and the home care program, you get close to \$134 million. So that's another approach. That's another balanced approach since they won't touch health care.

The Member for Morris says debt servicing costs; that they would cut out debt servicing costs. Does that mean that they would not pay the interest on the debt in the Province of Manitoba, that they would say no, we are not going to meet our statutory commitments? What kind of nonsense! This is a party that talks about business philosophy. Would you not pay your debts properly, Madam Speaker? Is that what he is suggesting? He would stop interest payments. He would not pay statutory payments that are required by the

legislation in the Province of Manitoba. Clearly, that is not only impossible, it is illegal, Madam Speaker, because under the provisions of the Legislature, statutory payments have to be met.

Let's look at another approach. One of the other approaches I looked at in terms of how they might make up for that shortfall is to look at the kind of programs that this government and this party has brought in over the years that we've been in power. Some of these are small cuts but when you add them up . . .

MADAM SPEAKER: I'm having trouble hearing the Honourable Minister.

MR. G. ROCH: We don't want to hear it.

HON. E. KOSTYRA: You know, that's exactly the point, Madam Speaker. The Member for Springfield says we don't want to hear it because they didn't have the courage of their convictions, the courage of their statements where they said they were going to reduce the deficit by \$134 million. They didn't have the courage to get up and tell the people of Manitoba where they would get it. So he doesn't want to hear it. It's exactly true that he doesn't want to hear it.

But even if he doesn't want to hear it, Madam Speaker, I'm going to tell Manitobans the kind of Tory reign of terror that would exist if they were to accomplish what the Member for Morris outlined.

I've outlined a couple of alternatives. Let me go to one other. I'm going to focus on programs that this government, this party brought in during their time of government. They would do away probably with something like Legal Aid. This is also based on the experience in other provinces. They would do away with Legal Aid support for people who can't afford their own lawyers. They would do away with the Human Rights Commission like they have in British Columbia. They would probably do away with the Ombudsman because that was something else that this horde of socialists brought in to help the citizens of the Province of Manitoba.

What else would they do? What other programs would they do away with? Waste and mismanagement? Would they do away with the Consumers Bureau that this party brought in to protect consumers in this province because that's what has happened in other Conservative provinces? Is that the kind of thing that they would do? Would they do away with the Department of Environment in Workplace, Health and Safety, another initiative that this government brought in that has been done away with by Conservative Governments in other provinces? Is that the kind of approach that they would take?

I know members don't want to hear this, but since they didn't put it on the record, I feel obligated to ensure that Manitobans know the kind of choices that members opposite would bring forward. I'm doing it on the basis of a variety of choices - one, looking at the health care system; another, looking at a balanced approach, and focusing on NDP programs which members opposite have always complained about and have suggested that they're not doing their job.

But even if you did away with all those kind of things like the Ombudsman, did away with Legal Aid, did away

with the Consumers Bureau, and let's throw in the Rentalsman, because they don't believe in rent controls, they don't believe that tenants should have equal rights with landlords, so they would do away with that. They did their best during that short period of time that they were in government, so they would do away with that.

If you did all of that, you still would not come up with \$134 million that the Member for Morris said that they would . . .

SOME HONOURABLE MEMBERS: Oh, oh!

HON. E. KOSTYRA: . . . The member says he didn't say it now. He got up and said that the deficit would be \$200 million. The deficit is 334. I may not be the brightest person, Madam Speaker, but my mathematics . . .

SOME HONOURABLE MEMBERS: Oh, oh!

HON. E. KOSTYRA: . . . tells me that comes up to \$134 million. Maybe he can't do those mathematics, but I can, Madam Speaker, and I know the people of Manitoba can do those mathematics. They know what the options are, the kind of cuts that would take place, the kind of Tory reign of terror that would exist in this province if those members were elected.

I really find it strange that they made that kind of prediction. They said that's what they would do, but during all the Budget Debate they spent no time, they didn't spend one word, to outline where they would bring about those reductions . . .

A MEMBER: They did not want to hear it.

HON. E. KOSTYRA: . . . In fact, they did the opposite. Many members talked about increased spending, how they would find errors, where they would be spending more money, Madam Speaker.

So I would ask the members, and I would suggest particularly to the Member for Morris to be more forthcoming in the way that he deals with fiscal issues.

Today, I've outlined on two separate occasions where he was way out in his figures, that he used wrong information. I pointed out, in this discussion now, that he was wrong on the deficit figure, on what he predicted that's going to happen in the future, what he predicted was going to happen this year. So I would ask him to get up to admit that he is wrong, and to suggest that he use the correct figures or not make wild allegations.

I haven't heard him yet deny that if they were in government right now, the deficit would not be \$334 million - which is a significant improvement - but it would be \$200 million. If that's not the case, I would ask the member to get up and say that's not true. If not, then the reality is that they would cut and slash programs in this province to the tune of \$134 million.

I outlined the kind of Tory reign of terror that would exist and the variety of errors that was to accomplish. That is not the approach that Manitobans want. They've rejected that approach. They have rejected that approach consistently . . .

MADAM SPEAKER: Order please.

HON. E. KOSTYRA: . . . and I make a prediction, Madam Speaker . . .

MADAM SPEAKER: Order please.

HON. E. KOSTYRA: . . . that when the next election is called they will reject the . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: I am interrupting the proceedings according to Rule 23(5).

The motion before the House is the proposed amendment of the Honourable Leader of the Opposition:

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

Regrets that in presenting its Budget, the government has:

1. Ignored the long-term effects of uncontrolled spending by once more increasing its expenditures at twice the rate of inflation; and
2. Dipped into the pockets of ordinary Manitobans for an enormous tax haul of \$185 million more in personal income taxes; and
3. Absorbed the largest increase in revenue in the province's history while applying less than 15 percent of it to deficit reduction; and
4. Because of its continued policies of foreign borrowing and deficit spending, has brought about an increase in interest costs of almost 20 percent in this year's Budget; and
5. Thereby lost the confidence of this House and the people of Manitoba.

All those in favour, say Aye; all those opposed, say Nay.

In my opinion, the Nays have it.

The Honourable Opposition House Leader.

MR. G. MERCIER: Yeas and Nays, Madam Speaker.

MADAM SPEAKER: Call in the members.

A STANDING VOTE was taken, the result being as follows:

YEAS

Birt, Blake, Brown, Carstairs, Connery, Cummings, Derkach, Downey, Driedger, Ducharme, Enns, Ernst, Filmon, Findlay, Hammond, Johnston, Kovnats, Manness, McCrae, Mercier, Mitchelson, Nordman, Oleson, Orchard, Pankratz, Rocan, Roch, Walding.

NAYS

Ashton, Baker, Bucklaschuk, Cowan, Doer, Dolin, Evans, Harapiak (Swan River), Harapiak (The Pas), Harper, Hemphill, Kostyra, Lecuyer, Mackling, Maloway, Parasiuk, Pawley, Penner, Plohman, Santos, Schroeder, Scott, Smith (Ellice), Smith (Osborne), Storie, Uruski, Wasylcyia-Leis.

MR. CLERK, W. Remnant: Yeas, 28; Nays, 27.

SOME HONOURABLE MEMBERS: Oh, oh

MADAM SPEAKER: Order please.

The amendment is accordingly adopted.

It's my understanding that I now put the main motion, as amended, before the House.

All those in favour of the main motion, as amended, please say Aye; opposed, say Nay.

The motion is accordingly adopted, as amended.

HON. J. COWAN: Yeas and Nays, Madam Speaker. We can ask for Yeas and Nays. Tell them, Gerry.- (Interjection)- Madam Speaker, we would like Yeas and Nays on that, please.

MADAM SPEAKER: Order please, order please.

I'm sorry, but I have already declared the motion adopted, as amended.

The Honourable Opposition House Leader.

MR. G. MERCIER: Madam Speaker, I move, seconded by the Leader of the Opposition, that the House do now adjourn.

MOTION presented and carried and the House adjourned.

PROCLAMATION

"Alfred M. Monnin"
Administrator

CANADA
PROVINCE OF MANITOBA

ELIZABETH THE SECOND, by the Grace of God of The United Kingdom, Canada and Her other Realms and Territories QUEEN, Head of the Commonwealth, Defender of the Faith.

A PROCLAMATION

To our beloved and faithful the members elected to serve in the Legislative Assembly of our Province of Manitoba, and to each and every of you — GREETING.

WHEREAS we have thought fit by and with the advice and consent of our Executive Council for Manitoba, to dissolve the present Legislative Assembly of our said Province.

NOW KNOW YE THAT we do for that end publish this, our proclamation, and do hereby dissolve the Legislative Assembly accordingly, and the members of the Legislative Assembly of Manitoba, are discharged from further meeting and attendance in connection therewith.

IN TESTIMONY WHEREOF We have caused these Our Letters to be made Patent, and the Great Seal of Our Province of Manitoba to be hereunto affixed;

WITNESS, His Honour Alfred M. Monnin, Administrator of the Government of the Province of Manitoba;

AT OUR COURT HOUSE, at Our City of Winnipeg, in the Province of Manitoba, this ninth day of March, in the year of Our Lord one thousand nine hundred and eighty-eight, and in the thirty-seventh year of Our Reign.

BY COMMAND,

"V. SCHROEDER",
Attorney-General.

"Alfred M. Monnin"
Administrateur

CANADA
PROVINCE DU MANITOBA

ELIZABETH II, par la grâce de Dieu, REINE du Royaume-Uni, du Canada et de ses autres royaumes et territoires, Chef du Commonwealth, Défenseur de la Foi.

PROCLAMATION

À tous les fidèles et loyaux députés élus à l'Assemblée législative de la province du Manitoba, et à tous et chacun d'entre vous, SALUT :

ATTENDU QUE nous jugeons opportun, sur l'avis et du consentement du Conseil exécutif, de dissoudre l'Assemblée législative du Manitoba;

SACHEZ DONC MAINTENANT QUE nous déclarons et proclamons, par les présentes, la dissolution de l'Assemblée législative du Manitoba et que, par conséquent, les députés de l'Assemblée législative sont dispensés d'assister à toute autre séance ou réunion de l'Assemblée.

EN FOI DE QUOI Nous avons fait délivrer les présentes Lettres patentes et à icelles fait apposer le Grand Sceau de Notre province du Manitoba.

TÉMOIN: Alfred M. Monnin, administrateur du gouvernement de la province du Manitoba.

EN NOTRE PALAIS DE JUSTICE, en Notre Ville de Winnipeg, dans la province du Manitoba, ce neuvième jour de mars, l'an de grâce mil neuf cent quatre-vingt-huit, dans la trente-septième année de Notre Règne.

PAR ORDRE.

"V. SCHROEDER"
Le procureur général.