



Fourth Session - Thirty-Fifth Legislature
of the
Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS
(HANSARD)**

41 Elizabeth II

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

Members, Constituencies and Political Affiliation

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, April 6, 1993

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. George Hlckes (Point Douglas): Mr. Speaker, I beg to present the petition of Paul Reeks, Janet Hartley, Eddie Ledwos and others, requesting the Minister of Family Services (Mr. Gilleshammer) to consider restoring funding of the student social allowance program.

Ms. Judy Wasylycia-Lels (St. Johns): Mr. Speaker, I beg to present the petition of Shirley Neufeld, Francis Roulette, Claudette Lacroix and others, requesting the Minister of Family Services (Mr. Gilleshammer) to consider restoring funding of the student social allowance program.

Mr. Conrad Santos (Broadway): Mr. Speaker, I beg to present the petition of Gheeta Shaw, Kevin Kirton, D'Arcy Christie and others, requesting the Minister of Family Services (Mr. Gilleshammer) to consider restoring funding of the student social allowance program.

Ms. Becky Barrett (Wellington): Mr. Speaker, I beg to present the petition of Jim Rondeau, Tigist Asmelash, Dana Nguyen and others, requesting the Minister of Family Services (Mr. Gilleshammer) to consider restoring funding of the student social allowance program.

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, may I direct the attention of honourable members to the gallery, where we have with us this afternoon a group of Scots representing various clans and tartans throughout the province of Manitoba in honour of Tartan Day in Manitoba. They are guests of the honourable member for Sturgeon Creek (Mr. McAlpine).

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

ORAL QUESTION PERIOD

Central Park Lodge Nursing Staff Layoffs

Mr. Conrad Santos (Broadway): Mr. Speaker, first of all, I would like to express my appreciation to my party Leader, the caucus chair and members of my caucus for giving me this opportunity, first time.

Mr. Speaker, it is written: No man can serve two masters, for either he will hate one or love the other, or else he will hold to one and despise the other, especially if one of the masters is money, for the love of money is the root of all evil.

Mr. Speaker, the Trizec Corporation is a parent corporation which owns a subsidiary corporation called Central Park Lodge.

Central Park Lodge received more than \$3 million from government funding for nursing care health services for seniors in Manitoba. It now has the option, the difficult choice of either making a portion of the \$3 million available to its parent corporation, which is in trouble in Toronto because of the Adelaide-Bay Street shopping centre, or spending that money paying for high-quality health care services, continuing paying the registered nurses in this province.

* (1335)

They decided to lay off 25 registered nurses and, therefore, effectively converted a portion of the public money into private funding for realty development in Toronto.

My question to the honourable Minister responsible for Seniors (Mr. Ducharme): As responsible minister in charge of the affairs of seniors in this province, does he have any say at all in the decision about this laying off of 25 nurses, any input at all?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, my honourable friend poses a question which undertakes and begs an answer which has already been given to the House, Sir, in terms of staffing pattern decisions made at the long-term care facility Central Park Lodge.

I realize my honourable friend wishes to create this aura of somehow wrongdoing, but surely my

honourable friend must acknowledge that when questioned about the allegations that he has repeated, incorrectly, Sir, I might add, of this being a decision directed by Trizec Corporation to Central Park Lodge, that is totally incorrect. That was stated as totally incorrect by the registered nurse who is the managing director of Central Park Lodge.

To repeat that, Sir, does nothing to enhance my honourable friend's integrity in this House when he quotes from the Bible to start his question.

Now, Mr. Speaker, my honourable friend should know that Central Park Lodge, in their restructured staffing patterns, meets provincial guidelines, will provide more, not less, hands-on care to the residents in that facility.

Is my honourable friend now saying that he is against more care providers providing more care to those residents in Central Park Lodge?

Because that is what this change in staffing pattern is doing, Sir, more quality care, not less.

Mr. Santos: Since the honourable Minister of Health is so eager to answer the question, I might as well direct the question to him.

Can the honourable Minister of Health explain to this Legislative Assembly and to the people of Manitoba why he approved this decision when in fact the Central Park Lodge home had not even complied with the minimum staff requirement for private nursing homes in this province?

Mr. Orchard: Mr. Speaker, I cannot give an answer to a question which is inaccurate in its premise and presentation.

Mr. Santos: Mr. Speaker, I do not say anything without the statistics.

Staffing Requirements

Mr. Conrad Santos (Broadway): This Central Park Lodge was funded for 43.7 equivalent full-time professional staff, and it was only provided with 37.5, short of 6.2, not even satisfying the minimal requirement for staffing in this province for a private nursing home. Why?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I simply indicate to my honourable friend that the staffing patterns at Central Park Lodge are such that they comply with the guidelines of the Province of Manitoba. They have before this change; they do after this change.

In fact, Sir, with this change, there will be more caregivers providing more hours of care to those residents than prior to the change, more care, not less care, an increase in care, not a decrease in care, so my honourable friend's premise, preamble and alleged allegations are not accurate.

Mr. Santos: Mr. Speaker, a supplementary question?

Mr. Speaker: Order, please. The honourable member for Broadway with a new question? No.

Child and Family Services Agencies Service Reduction

Ms. Judy Wasylycia-Lels (St. Johns): Mr. Speaker, three times in the last couple of weeks, under questioning by the member for Burrows (Mr. Martindale), the Minister of Family Services has stated that he has met with the executive directors and presidents of the Child and Family Services agencies regarding their collective ability to provide services to the children in need of this province. He has talked about delivering.

In response to those questions, he indicated that this government would be working in partnership with those agencies, and he has indicated that the issues were manageable.

Now we have learned from the executive director of the largest Child and Family Services agency in Manitoba that the situation is very serious and potentially very risky. The executive director of that agency has indicated there will be less service; you cannot cut it any other way.

I want to ask the Minister responsible for Family Services, who has been clouding the issue and downplaying the seriousness of this issue, how he intends on dealing with a potentially disastrous situation facing the children of this province with a budget that is going down and the number of children in care going up.

Hon. Harold Gilleshammer (Minister of Family Services): Mr. Speaker, yes, indeed I did meet with the presidents and the chief executive officers of the agencies to indicate some of the budget decisions that Family Services was bringing forward in this budget that is being tabled today.

I do not downplay the very, very important work that the Child and Family Services agencies and their staff do across this province.

We have indicated that there are very difficult budget decisions that have to be made within this

budget, and we have indicated to the presidents of those organizations and the CEOs of those organizations that we will work with them to find the creative solutions required so that the services that are required can be presented.

* (1340)

Ms. Wasylycia-Lels: Mr. Speaker, we are dealing with the most vulnerable members in our society, and we are dealing with a statement from Keith Cooper saying there will be less service.

I want to ask the Minister of Family Services: How is this government going to respond to a 13 percent increase in the number of children needing care in the last 18 months when this government has decreased its budget for Child and Family Services by \$5 million and, through the legislation involving the Civil Service, will cut out 3,000 days of service?

Mr. Gilleshammer: Mr. Speaker, I would point out to the member that when we had this discussion with the presidents and the CEOs and talked with them about the challenges facing the Family Services agencies, there was certainly recognition of the additional support we had put into those agencies in the last number of years and also a feeling of co-operation that we could work together to resolve these issues.

The member talks about the budget for that line being reduced by some \$5 million. It is a little less than that, but I would point out to her that the majority of that funding was funding that flows through to foster parents and the foster parents organization, not for the direct delivery of service by the child welfare agencies.

Ms. Wasylycia-Lels: Mr. Speaker, I want to ask the minister a final question because, in fact, the statements from the head of the largest Child and Family Services agency in Manitoba indicate that services will not be provided to a growing number of kids in need of care.

What is the plan of this government to fill that gap and ensure that no child, not a single child, is left to fall between the cracks?

Mr. Gilleshammer: Mr. Speaker, when we had the opportunity to talk to the presidents and the CEOs, including the CEO mentioned by the honourable member, certainly there is recognition that there is a challenge in the fact that the workweek will be reduced, but there are some creative ways of going around that, the same methods that would be used in 24-hour institutions such as hospitals.

Video Lottery Terminals Revenue Investment

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, my question is for the Premier.

Because of a broken promise that this Premier made to rural Manitobans with respect to the VLT revenues, we asked this government to allocate 25 percent of the VLT revenues out to the rural municipalities.

The Premier's response to that particular question that I had asked was, and I quote from Hansard—he is referring to the people of Manitoba—quote: “. . . they do not want us to set aside 25 percent of Lotteries funds in a slush fund . . .”

Mr. Speaker, I find that it is completely unacceptable for the Premier of this province to accuse the rural municipalities of wanting to create a slush fund.

I would ask the Premier: Why does he believe the rural municipalities will treat this fund as nothing more than a slush fund, something that this government has created—

Mr. Speaker: Order, please. The honourable member has put his question.

* (1345)

Hon. Gary Filmon (Premier): Mr. Speaker, the point that I make is that we do not have a whole series of different priorities in this province, that when taxpayers tell us that their greatest priorities are health care and education, those are the greatest priorities. We should not transfer our priorities over to other people to choose for their priorities.

The fact of the matter is, there is only one taxpayer. Every dollar that we collect from people by way of taxes is a hard-earned dollar that they want spent on the things that are most important to them. That is the point I make, Mr. Speaker.

Mr. Lamoureux: Mr. Speaker, the Premier talks about priorities. The priority was with the VLT revenues that any monies generated from that would be going back into the rural economy.

My question to the Premier is: Why did the Premier break his promise to rural Manitobans?

Mr. Filmon: Mr. Speaker, we made a commitment at the time that we introduced VLTs into rural Manitoba to spend about \$5 million on particular rural development projects.

As I pointed out in a recent discussion in Brandon, we have in that city alone spent far in excess of that amount of money on areas of great importance to the people of Brandon, more than a half million dollars, for instance, in the downtown redevelopment scheme; a huge amount of money—I do not know how many million off the top—on the SDI; \$3 million in the Keystone Centre; \$1 million of REDI funding for the infrastructure needed for Ayerst; a million dollars for the AFM. This is just in Brandon alone. These are funds for the benefit of rural Manitoba.

That says nothing, Mr. Speaker, of the money that goes into that community by way of the health care institutions that reside there, the rural development, the Brandon University, all of the schools and colleges that are there, the fire college.

All of that was money spent in rural Manitoba, far, far in excess of the money that we collect from VLTs. We have done more for rural Manitoba than any government in the history of this province.

Mr. Lamoureux: Mr. Speaker, let us make it clear. What this Premier has done is, he has broken a promise to rural Manitoba. That is what this Premier has done.

In excess of \$30 million has come out of the rural economy because of this decision of this government, whereas they have spent a small percentage of that money back into rural Manitoba, and I expressed, a small percentage of that money.

My question to the Premier is: Why will he not live up to his original commitment and put that money back into the rural economy?

Mr. Filmon: Mr. Speaker, as usual, the member for Inkster was not listening.

I listed for him projects that exceed the \$30 million in the city of Brandon alone. The spending that we have done in that area exceeds the \$30 million.

Mr. Speaker, the member has no case.

Highway Traffic Act Licence Plate Exemption

Mr. Daryl Reid (Transcona): Mr. Speaker, Chapter 3, Sections 6(1) and 6(2) of The Highway Traffic Act indicates that every motor vehicle in the province shall have a number plate placed in a conspicuous position on the outside of a motor vehicle as to make it distinctly visible.

My question is for the Minister of Highways and Transportation or the Minister of Justice.

Has either of these ministers granted permission to any person or groups of people allowing them to operate personal, private motor vehicles without displaying licence plates?

Hon. Albert Drledger (Minister of Highways and Transportation): Mr. Speaker, this is a zinger I think he has got.

Mr. Speaker, I have not given that authority, nor has the Minister of Justice (Mr. McCrae). If there is a specific case that he is concerned about, all he has to do is give me the details and we will look into the matter.

Mr. Reid: Mr. Speaker, I thank the minister for that.

Highway Traffic Act Licence Plate Exemption

Mr. Daryl Reid (Transcona): Information drawn to our attention indicates that many private vehicles are being operated without licence plates to and from the Northern Blower plant site in Transcona.

Will the Minister of Justice explain why the City of Winnipeg Police are not enforcing The Highway Traffic Act requiring licence plates to be displayed, after this matter was drawn to their attention?

* (1350)

Hon. James McCrae (Minister of Justice and Attorney General): As my honourable colleague has said, it does appear to be a zinger, Mr. Speaker.

I will take the information the honourable member is putting across and make inquiries and report back.

Mr. Reid: Mr. Speaker, I thank the Minister of Justice for that.

Can we expect that when this information comes forward, and it will be confirmed and I can provide that information and video tape evidence for the Minister of Justice's information, that the Winnipeg police will begin ticketing all vehicles not displaying licence plates operating in the city of Winnipeg or elsewhere in the province of Manitoba?

Mr. McCrae: Mr. Speaker, you know, as all honourable members know, how many times in this House incorrect and inaccurate information is brought forward and placed before us as if it were fact.

I do not know that happens very often with this honourable member, and so out of respect for him I will look very carefully at the information he has brought forward and, as I said, report back.

Northern Blower Workplace Safety Inspection

Ms. Marianne Cerlill (Radisson): Mr. Speaker, under the current economic climate, as jobs become more scarce and vulnerable, workers live in fear of losing their jobs. We know that a number of regulations are lax, or the enforcement becomes lax, and there is an atmosphere that Workplace Safety and Health regulations may be shortcuted.

My question is for the Minister of Workplace Safety and Health and Labour.

Since the strike began at Northern Blower, when was the last Workplace Safety and Health inspection at that plant?

Hon. Darren Praznik (Minister of Labour): Mr. Speaker, I would just point out to the member for Radisson—I know she brings this issue to the House, I hope is well-intentioned in doing so—that one of my experiences as Minister of Labour is that requests for Workplace Safety and Health inspections tend to increase dramatically in many cases where there is a labour dispute going on, that often that becomes a tool in the labour dispute.

If there are legitimate Workplace Safety and Health concerns that exist in that facility, if she would like to bring them to the attention of the director of the department, we will arrange for an appropriate inspection.

Ms. Cerlill: Mr. Speaker, I asked a very direct and serious question of the minister.

Has there been an inspection at Northern Blower since the beginning of the strike, and is there a change in the number of accidents that have been reported?

Mr. Praznik: Mr. Speaker, I will take as notice her question as to whether or not there was an inspection recently at Northern Blower, but I will again tell the honourable member that my experience as minister has been that very often Workplace Safety and Health inspections become an issue at the time of a labour dispute. They become a tool, in essence, in that labour dispute.

If there are legitimate concerns there we will ensure that they are investigated.

Accident Reports

Ms. Marianne Cerlill (Radisson): Mr. Speaker, are replacement workers reporting these accidents? Is the company reporting these

accidents? Can the minister tell the House what the causes of these accidents were and have any charges been laid in any accidents at this worksite?

Hon. Darren Praznik (Minister of Labour): Mr. Speaker, as to the specifics of this facility, I will take the matter as notice and have that information obtained from the staff at Workplace Safety and Health.

Omand's Creek Commercial Development Protection

Mr. Paul Edwards (St. James): Mr. Speaker, my question is for the Minister of Urban Affairs.

On no less than four occasions developers, with the complicity of City Council, have attempted to pave over Omand's Creek in the west end of the city.

Partly in response to this the former member for Wolseley and myself passed an amendment to The City of Winnipeg Act in 1989 banning commercial construction over waterways throughout the city of Winnipeg.

This minister repealed that legislation in 1991 with the backing of a majority government. The city did nothing to replace that legislation, and so this minister brought forward new legislation requiring the city to come forward with something.

Can the minister give members of this House a report on progress being made at City Hall as to protecting the waterways in this city from commercial construction?

* (1355)

Hon. Jim Ernst (Minister of Urban Affairs): Mr. Speaker, let me say firstly that the legislation that the honourable member participated in in 1989 is still in force until such time as the city passes a by-law.

I will take the substance of that, whether the city has yet passed it or not, as notice and advise the member.

Mr. Edwards: Mr. Speaker, can the minister indicate when City Council is intending to come forward with legislation, if he knows?

This is an area of provincial jurisdiction which the province has given over to the city.

Is the city in contact with this minister to discuss what the protection should be, and is the minister aware at this time as to what the city's intentions are with respect to some legislation?

Mr. Ernst: I indicated, Mr. Speaker, in my answer to his first question that I will take the substance of that as notice and advise the member.

Waterways Protection Legislation

Mr. Paul Edwards (St. James): Mr. Speaker, finally for the minister responsible for Rural Development.

One of the aspects of this is that this protection that was put in place is just in The City of Winnipeg Act.

Does the Minister of Rural Development have any intentions to come forward with similar legislation protecting waterways throughout this province?

This would seem only fair in terms of protecting waterways for all Manitobans to the same degree.

Hon. Leonard Derkach (Minister of Rural Development): Mr. Speaker, I guess it goes without saying that all members in this House are concerned about waterways and, indeed, Manitobans in general are concerned about the quality of the water in this province.

I have not had a specific concern come to me with regard to passing legislation that would parallel the kind of legislation that was passed with regard to the issue in the city of Winnipeg. Indeed, the concentrations of populations are not the same as they are in the city of Winnipeg and, therefore, the circumstances are somewhat different.

Until such time that I have had some representation from rural Manitoba expressing this kind of concern, Mr. Speaker, I intend to leave the matter as it is.

Canadian Blood Agency Blood Fractionation Plant

Mr. Dave Chomlak (Kildonan): Mr. Speaker, my question is for the Minister of Health.

Mr. Speaker, since the province participates in the Canadian Blood Agency and since our province may be required to sign a 10-year contract with the Red Cross to purchase supplies from the proposed blood fractionation plant to be built in Canada, can the minister advise us as to what the status of the contract to build the plant is and what Manitoba's position is with respect to that plant?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I think my honourable friend's question is probably stimulated by a recent March 23, 1993,

article on the perception that somehow Red Cross had gotten permission from the Canadian Blood Agency to build a fractionation plant.

I would simply like to indicate to my honourable friend that the Canadian Blood Agency, of which Manitoba is one of the participating partners with the other provinces, has given no such approval, Sir.

Mr. Chomlak: Mr. Speaker, supplementary, to the minister: Can the minister advise as to whether there are ongoing negotiations with respect to this particular plant, and will he come back to the House when those negotiations are concluded to advise the House as to the status of it?

Mr. Orchard: Mr. Speaker, this country has a significant history in terms of blood fractionation proposals. My honourable friend might recall the initiative undertaken by a former Minister of Health, the Honourable Bud Sherman, to have Manitoba as a partner in Canadian blood fractionation with the establishment of a fractionation plant in Manitoba to handle approximately one-quarter of the blood fractionation requirements for the Canadian blood system.

Mr. Speaker, unfortunately, those plans and circumstances did not produce the desired results and, subsequent to that, for the past probably decade and a half, we have been purchasing blood fractionation services from a major U.S. fractionation firm.

That process will continue, Sir, because there is considerable debate at the Canadian Blood Agency and the proponents as to whether initiatives in terms of Canadian presence in blood fractionation would be an appropriate investment by the Canadian taxpayers.

Canadian Blood Supply Integrity Public Hearings

Mr. Dave Chomlak (Kildonan): Mr. Speaker, my final supplementary: Can the minister advise what the province's position is with respect to the demands by many, including the Canadian Hemophilia Society, that a national inquiry be held into the integrity of the blood supply system in Canada?

* (1400)

Hon. Donald Orchard (Minister of Health): Mr. Speaker, if I recall recent news reports again, I think that the federal minister has indicated that that issue

is under active consideration by his ministry and by his department.

Mr. Speaker, I want to indicate to my honourable friend that the very unfortunate circumstances that hemophiliacs in Canada found themselves in as a result of tainted blood supplies from the mid-'80s is one in which Canada's contribution and support program has been to date, to my knowledge, one of the more generous ones in the world.

We have, in terms of provincial participation to support those individuals, offered as much support as we can through our various departmental expenditures and programs, not exclusive to the Ministry of Health. We are supporting their ongoing medical and other needs in the community circle.

University of Manitoba Labour Certification Program

Ms. Jean Friesen (Wolseley): Mr. Speaker, one of the legacies of the Roblin government was that it made a genuine effort to try and bridge the gap between labour and management in this province by introducing educational programs for both management and labour. This government has cut the Labour Certificate Program at the University of Manitoba, a very successful program.

I want to ask the Minister of Labour what he thinks the implications of that are for the continuing labour-management relations in Manitoba and where it fits with the many press releases we have seen from this government about their commitment to education.

Hon. Darren Praznik (Minister of Labour): Mr. Speaker, I hardly think that, I believe it was, a \$2,500 grant marks the death of a program. I think that is gross exaggeration.

Ms. Friesen: Mr. Speaker, did the minister check with the University of Manitoba before he made that kind of assertion? I doubt it.

Dave's Quick Print Unfair Labour Practices

Ms. Jean Friesen (Wolseley): I want to ask the Minister of Labour if he will explain why the grant of \$8,000 to Dave's Quick Print to train replacement workers to take the Queen's Printer's jobs should not be considered an unfair labour practice.

Hon. Darren Praznik (Minister of Labour): Mr. Speaker, if anyone wants to pursue an unfair labour practice, as the member for Wolseley I would

assume would know, there is a process before the Manitoba Labour Board. If the people who are affected wish to pursue that, they are perfectly free to do so.

I would just point out, though, for the benefit of members of this House that of the 50 or so employees in the office of the Queen's Printer, through our placement process I think there were 10 or less to date that we have yet to find jobs for, so we have employed almost 40. There have been a few who retired.

So the process has worked very well to ensure that the people affected, Mr. Speaker, had minimum effect on their lives.

Morgentaler Clinic Medical Claims

Ms. Becky Barrett (Wellington): Mr. Speaker, on March 2 the Manitoba Court of Appeal ruled that the province must immediately pay for therapeutic abortions performed in freestanding clinics, stating that these procedures are as safe as and more cost-effective than those performed in hospitals.

Will the Minister of Health now, a month later, assure the people of Manitoba that he will follow the law and honour all medical claims for services and procedures done since March 2 at the Morgentaler Clinic?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, it was indicated to me at the time of that decision by the Court of Appeal which found that there was no charter contravention or Canada Health Act contravention by the regulation as struck, which was very, very important, and I am sure my honourable friend would want to acknowledge the importance of those two findings of the Court of Appeal.

What the Court of Appeal found, Sir, is that as written in our legislation under The Health Services Insurance Act, we did not have the appropriate wording to assure that we had, by regulation, the ability to determine where medical services are provided.

I indicated after that decision that it would be the intention of government and myself to bring in the appropriate amendments which would have the effectiveness to the date of the court decision.

Ms. Barrett: Mr. Speaker, until he brings in legislation to the contrary, the Minister of Health, if

he is not paying for those services, is in contravention of the Court of Appeal's ruling.

Will the Minister of Health now tell the House that he will follow the law and will pay for those therapeutic abortion services provided by the Morgentaler Clinic since March 2?

Mr. Orchard: Mr. Speaker, as I indicated, post that decision, and as I have consistently indicated at any time my honourable friends the New Democrats have posed this question, we are complying with the provision of therapeutic abortion services in a number of hospitals in the province of Manitoba.

We are, as the Court of Appeal has found, in full compliance with the Canada Health Act. We are not undertaking any provision of service which contravenes the Charter of Rights.

Surely, Sir, that should suffice to my honourable friend's concerns. Certainly it complies with our requirements of insured service provision under the mandate of my ministry and this government's responsibility for health care service provision.

Health Care System Duplication of Services

Mr. Gulzar Cheema (The Maples): Mr. Speaker, my question is for the Minister of Health.

Mr. Speaker, the complex issue of walk-in clinics and the perception of possible duplication of services is not unique to Manitoba. In fact, many provinces are facing similar problems.

Blaming one section of the health care sector is not going to solve the problem. Both the health care providers and the patients must be accountable.

Can the Minister of Health now consider a proposal that each and every time a patient goes and sees a doctor at a clinic he should sign and make sure the patient is being told how much is being paid on his or her behalf by the taxpayers of Manitoba?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, my honourable friend has made that suggestion in the past. I have to say that concept has merit in terms of the opportunity to educate users of our health care services to what the costs of various physician office visits are.

I seriously investigated my honourable friend's suggestion, but we have, as my honourable friend may well be aware, a number of physician offices that electronic bill. In essence, there is no formal paper work that is sent into the Ministry of Health.

That has complicated the opportunity to try and implement an initiative which will have the end result my honourable friend desires.

We have been discussing other initiatives which we hope will achieve what my honourable friend I think wants to do in terms of public education around costs.

Mr. Cheema: Mr. Speaker, the duplication of services within \$1.8 billion can occur. As the minister has pointed out, there are many possibilities.

Smart Card System

Mr. Gulzar Cheema (The Maples): Can the Minister of Health tell us what specific actions are going to be taken to make sure that the smart card system is implemented to make sure that the system is used as effectively as possible?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, part of the throne speech starting this session was the commitment that we were intent on introducing the smart card, plastic card technology in terms of its application across the health care system.

I reinforced that where I guess it was just some two weeks ago when my honourable friend had a private member's resolution on the Pharmacard, which is a program application of the smart card, where I believe all members of the House unanimously passed that resolution proposed by my honourable friend the member for The Maples.

That further reinforces the commitment that this government has to implement the plastic-card-type technology across our billing system and to do it as quickly as is physically possible, Sir.

Department of Education Mailing Costs

Mr. John Plohman (Dauphin): Mr. Speaker, we have said repeatedly in this House and pointed out to the Minister of Education that she has failed to provide adequate funding for the education of children in this province.

Yet, she seems to have money to send out thousands of letters to teachers in this province to try to explain this failure to provide adequate funding to them and to the children of this province in education.

I want to ask this minister how many thousands of letters she sent out and what the cost of these

letters was, and I want her to also point out whether she has more appropriate ways to spend money in her department.

* (1410)

Hon. Rosemary Vodrey (Minister of Education and Training): Mr. Speaker, yes, a letter was sent to all the teachers in this province.

The reason is that I did have, with the Minister of Finance (Mr. Manness), an opportunity to speak with the educational leaders, their representatives, the trustees, the Manitoba Teachers' Society in one room.

I was able also to do that with the universities, but I was not able to call every teacher in this province together in one room and deliver the same message, so I had one way to communicate that same message to teachers.

Teachers need the same information. They needed to hear a direct, unfiltered message, and that is what I sent to all the teachers of this province.

Mr. Plohman: Some message, Mr. Speaker.

Education System Funding Formula

Mr. John Plohman (Dauphin): I want to ask this minister, since she said in her letter, and I quote, the problem is nobody wants to invest in an unstable, debt-ridden province, whether that is the official line of this province now, that is the reason for the cuts, or is it the minister's, the Premier's statements that the private sector is doing everything in this province, investing, and we are in tremendous growth in this province?

What is the real reason here? What is the real story?

Hon. Rosemary Vodrey (Minister of Education and Training): Mr. Speaker, the purpose of the letter also was to make sure that teachers understood that they were not the only ones who were being asked to share. The point was to make sure that teachers understood, directly from this government, the position of this government, the financial position of this government and how we as Manitobans have to come together to each do our share to make sure that our province continues to be successful and is more successful.

Education System Funding Formula

Mr. John Plohman (Dauphin): Mr. Speaker, I want to ask the Premier (Mr. Filmon): Is he now saying, after five years of Tory government in this province, that we are reduced to being described by his Minister of Education as a debt-ridden, unstable province? Is that the message they are communicating?

Hon. Gary Filmon (Premier): No, Mr. Speaker, in fact, what we are doing is to ensure that we avoid that prospect by virtue of the decisions that we are making. The member obviously has difficulty understanding that that is what we are trying to avoid by ensuring that we take the proper measures while we have the opportunity.

I might say that I do not understand why the member for Dauphin (Mr. Plohman) has difficulty with sending out letters to say things about what government is doing.

He has just sent out a letter recently signed John Plohman, MLA for Dauphin, in which his last line of the letter is: The problem we have, of course, that the mass media in Winnipeg is on the Conservative side and it is, therefore, much harder to get the story out, but we will.

Mr. Speaker: The time for Oral Questions has expired.

Introduction of Guests

Mr. Speaker: I would like to draw to the attention of honourable members the loge to my right, where we have with us this afternoon Mr. J. Frank Johnston, the former member for Sturgeon Creek.

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

Also, this afternoon in the loge to my left, we have Mr. Sid Green, the former member for Inkster.

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

Nonpolitical Statements

Mr. Gerry McAlpine (Sturgeon Creek): Do I have leave for a nonpolitical statement?

Mr. Speaker: Does the honourable member for Sturgeon Creek have leave to make a nonpolitical statement? [agreed]

Mr. McAlpine: Mr. Speaker, nowhere in the lands across the sea is the link with bonny Scotland still

so strong as in the western Canadian province of Manitoba. This province was settled en masse in 1811 when the gentle altruistic 5th Earl of Douglas, Lord Thomas Selkirk, brought the first group of crofters driven off the land in the highland clearances.

These newcomers braved starvation, the weather, floods and the crackle of gunfire to put their roots into their colony at the junction of the Red and Assiniboine Rivers. Wherever one looks, the evidence of a Scottish heritage is most prominent, for Scottish culture continues to bloom in Manitoba. It has blossomed with the many pipe bands, the Manitoba Highland Dancers' Association, the Scottish Country Dance Society, the Highland Gathering at Selkirk, the St. Andrews Society and so on.

The first settlers from Sutherlandshire, the Orkneys, and elsewhere in the old Scotia put the names of these places they left on their new home. It was Lord Selkirk himself who on his first visit to the colony in 1817 was asked what he would name the settlement. He replied, "We shall call it Kildonan," honouring the parish from which many left in Sutherlandshire.

Indeed, West and East Kildonan, separated by the Red River, continued to expand as places in which to live and work. To drive through the Kildonans, you cannot miss the street signs Helmsdale, Burrin, Golspie, Rothesay, Dunrobin, Kilbride, Seaforth for starters. Go out into the countryside and see the names of the towns and villages—Argyle, Lorne, Fraserwood, Selkirk, and you will realize the flavour of Scotland permeates our province.

Mr. Speaker, I am proud to stand in this Chamber today, a place of honour, representing the McAlpine Clan attired in my McAlpine tartan along with my guest representing the Clans Ross, McIntosh, Fraser, Douglas, Campbell, Hepburn and McPherson. We stand together in honour of this day, April 6, as Tartan Day throughout Manitoba and Canada. This was proclaimed in Manitoba March 26, 1993, by another proud Manitoban, our Premier, the Honourable Gary Filmon, and witnessed by the Minister of Culture, Heritage and Citizenship, the Honourable Bonnie Mitchelson and myself along with my guest for this day and more.

On behalf of all Scots in Manitoba, I wish to thank the Premier and all members of the Legislature for the history-making celebration. This, for sure, is a

heritage of a wee bit of Scottish history here in Manitoba. On behalf of all Scots, I thank you. The wee bit of Scot in Manitoba tartan all members are given to wear today, I say wear it proudly and be a Scot for the day in appreciation and recognition of Manitoba's Scottish heritage. Thank you.

Mr. Speaker: Does the honourable member for Wellington have leave to make a nonpolitical statement? [agreed]

Ms. Becky Barrett (Wellington): Mr. Speaker, not only as the multicultural critic for the official opposition, but also as an immigrant to Canada, some of whose forebearers I can claim have come from Scotland, I would also like to stand and congratulate the people of Scottish heritage on today's Tartan Day celebrations.

As someone who came from the United States, I treasure the fact that we in Canada celebrate and work hard towards recognizing our differences and keeping our cultural heritage alive, and the Scots in this province and throughout the country of Canada have certainly done that. They have laid an indelible mark on the province of Manitoba and the country of Canada, Scotsmen and Scotswomen, Mr. Speaker.

I would just like to, again, on behalf of our caucus, congratulate the people of Scottish heritage for the celebration of Tartan Day.

Mr. Speaker: Does the honourable Leader of the second opposition party have leave to make a nonpolitical statement? [agreed]

Mrs. Sharon Carstairs (Leader of the Second Opposition): I too wish to join in the celebration of Tartan Day. Tartan Days began, as a matter of fact, in the province of Nova Scotia which is known as New Scotland because it was, in fact, the province of Nova Scotia that had the first provincial tartan. It became the official tartan of Nova Scotia in 1954, and it gradually spread to other parts of the country including some divisions, for example, Cape Breton Island has its own tartan although it is also part of the Nova Scotia tartan.

I suspect, Mr. Speaker, I have the honour of being the only member of the Legislature who has ever fitted a Tory cabinet minister for a kilt. I did indeed fit George Hees for a kilt in 1959 when I worked at the tartan shop in Halifax, Nova Scotia. He was to participate in the inaugural venture of the international airport in Halifax, and he was to wear

an appropriate Nova Scotia tartan kilt for that particular occasion.

The Scottish heritage is very much a part of all of our heritages—[interjection] Mr. Filmon is asking a question the answer to which is, yes.

The heritage of tartans belongs to each and every one of us, because in this multicultural nation that we live in, we are all blessed by being able to rejoice in the participation of all of the ethnic communities that make up so much a very vital part of this nation called Canada. Thank you, Mr. Speaker.

House Business

Hon. Jim Ernst (Acting Government House Leader): Mr. Speaker, it is expected that the Minister of Finance (Mr. Manness) will deliver his Budget Address at 2:30 p.m. I propose that we recess until that time, perhaps ringing the bell once with two minutes before.

Mr. Speaker: Order, please. We will recess the House accordingly, and the buzzers will ring at exactly 2:28 so that we would be back in for 2:30 for the address by the honourable Minister of Finance.

* (1420)

* * *

The House took recess at 2:20 p.m.

After Recess

The House resumed at 2:32 p.m.

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I move, seconded by the Minister of Justice (Mr. McCrae), that this House approve in general the budgetary policy of the government.

Motion presented.

BUDGET ADDRESS

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I am honoured to present our government's sixth budget to the Legislative Assembly and the people of Manitoba.

On the road to building Manitoba, our early pioneers encountered and overcame many obstacles. In the process, they created a quality of life that is unsurpassed anywhere in the world.

In the months and years ahead, the challenge for all Manitobans is to protect and preserve this quality of life, by pulling together and having the courage to make some sacrifices today for a better life tomorrow.

We are faced with significant challenges that are very different and much more complex than those faced by earlier generations.

Make no mistake about it. These challenges present a threat so clear and ominous that many Manitobans have begun to fear that they will be unable to pass on to their children the same standard of living that they have enjoyed.

Their fears are well-founded. For, if we continue to live beyond our means, and to spend and borrow without the ability to pay the bills, we will not be able to provide for our children the quality of life our grandparents worked so hard to achieve for us.

Nor should we be lulled into thinking there are quick fixes to our problems, for none exist. Problems which have grown over decades will not be swept away overnight.

However, if we act quickly, decisively and with compassion, I believe we have an opportunity to ensure we pass on what was so precious passed to us.

The task is immense, so too are the rewards.

Confronting the Challenge

The only way to ensure that much of what we enjoy today is passed on to future generations is by living within our means. Unfortunately, over the past 20 years, governments have not been that wise. While revenue was rising an average of 10 percent a year, government spent far more than it earned, and borrowed to the hilt to finance programs it could not afford.

Today this mountain of provincial debt, over \$45,000 for a family of four, overshadows the present, and threatens to bury the future of the vital services that generations of Manitobans worked so diligently to create.

Last year alone, interest costs exceeded the combined spending of 12 government departments, and consumed 42 cents of each Manitoba personal income tax dollar, up from 4 cents in 1971.

In 1992-93, our difficulties were further complicated by:

- a \$130 million revenue shortfall, due primarily to lower income tax revenue and lower federal transfer payments;

- a \$30 million increase in debt-servicing costs, caused principally by a softening of the dollar; and

a \$67 million liability for repayment of transfers, caused by a federal change in the methodology for estimating population for 1992.

When combined, this leaves the provincial government with a forecasted deficit of \$562 million—\$232 million more than the original budget.

Living on a Budget

In each of our homes, when spending overtakes income, and when there is no way to earn more, habits must be changed, and family members asked to do more with less. Governments are not immune to this reality.

So we began our budget process by examining every dollar that government spends: all programs, tax credits and public sector salaries. In the coming budget year, program expenditure will be reduced by 2 percent or \$100 million.

Public debt costs have increased by \$30 million, the largest dollar increase of any line in the spending Estimates. This money was simply not available for priority health and education services for Manitobans.

Departmental spending breakdowns include a 1.2 percent reduction in each of Health and Education, and a 4.5 percent increase in Family Services. With the exception of Rural Development and Environment, all other departments will experience spending reductions, some as high as 14 percent.

In the medium term, this situation is not expected to change. In fact, total program expenditure will continue to decline by 1 percent in 1994-95, and remain flat through 1996-97.

In the 1993-94 fiscal year, expenditure reduction plans include the following measures:

- a 5 percent across-the-board cut in administrative expenses will save taxpayers nearly \$11 million;

- 18 administrative and personnel branches will be consolidated into fewer units;

- the salaries of all members of the Legislature, all members of boards and commissions, as well as provincial court judges will be reduced by 3.8 percent;

- the freeze on salaries paid to all members of Cabinet will be continued for the 13th consecutive year;

- 513 Civil Service staff years will be eliminated, with permanent layoffs held to fewer than 100

- as a result of attrition, aggressive redeployment efforts and voluntary retirements;

- a reduced workweek program will be introduced for all provincial civil servants, in order to trim salary costs by 3.8 percent and to avoid further layoffs;

- all government-funded entities, including Crown corporations and those providing education and health care services, must achieve similar salary savings through measures such as the reduced workweek; this applies to all public sector employees, including doctors, nurses, teachers and university professors;

- all Crown corporations, agencies and others funded by the government, either directly or indirectly, must streamline their organizations.

Together, these measures move government one step closer to living within its means. However, to achieve this goal, we must remain committed to making the necessary decisions in the future, regardless of how difficult they may be.

* (1440)

Preserving Priorities

To date, this decision-making process has not been an easy one. In fact, it has been nothing short of a struggle to find a way to preserve the programs that lie at the very heart of what we love most about Manitoba.

Without question, this has been the most difficult and trying exercise of my entire 12-year career as an elected official. Frankly, it is because there were no decisions in health care, education or family services that my colleagues and I wanted to make; only decisions we knew we had to make, if we were to secure our economic future and the core of our social safety net for today and for the future.

We understand it is of little comfort to explain that things could have been much worse, for we know our decisions will cause some hardship. However, our goal was to avoid the widespread suffering that would have been the result of much harsher measures, like massive layoffs and significant tax increases. These are choices we could have made. However, knowing the course Manitobans want us to take, they were choices we refused to make.

The priorities that guided our spending decisions this year are the same as those that have guided us over the past five years. In my six budgets, we have

chosen to allocate 92 percent of all new spending toward our most vital services.

Increases since 1987-88 total: \$504 million or 38 percent more for Health; \$259 million or 34 percent more for Education; and \$247 million or 60 percent more for Family Services.

Again, Mr. Speaker, I reiterate, 92 percent of all new spending over the course of our first five budgets have been directed to those three priority areas.

Even at this year's funding level of \$3.5 billion for these three departments, there were difficult choices to be made during the budget process.

In Family Services, for instance, we were able to preserve programming for our most vulnerable citizens, including children at risk, the physically and mentally challenged, senior citizens and the most needy social assistance recipients.

To accomplish this, we were forced to find savings by asking parents to pay a little more in daycare, by asking foster parents to accept less, and by reducing dental, optical and pharmaceutical benefits for social assistance recipients.

In the Department of Health, we were able to maintain the Home Care base budget, continue the conversion toward personal care beds for our aging population, and expand community-based mental health services—all major components of health care reform. To do so, we had to ask hospitals to cut administrative costs, and Manitobans to pay more for Pharmacare and for low-cost home care supplies and household maintenance. Similarly, we maintained the prevention component of the children's dental health program, but in doing so, we were unable to continue providing treatment services.

In Agriculture, we preserved the principles of the Gross Revenue Insurance Program (GRIP), but we were forced to find savings in programs such as hail spot loss insurance and Superior Management benefits.

Government skills training initiatives are being consolidated in the Department of Education and Training to better co-ordinate these programs and strengthen their linkages to our economic strategy.

In the area of government grants, we were able to continue funding groups and organizations whose central focus was the delivery of key human services. However, to do so, we had to withdraw funding from organizations where service delivery is

not the main focus, or where government can or already does provide similar service.

The budget also includes \$289 million in capital spending, down slightly from last year, but still on a per capita basis amongst the highest in Canada.

In isolation, each of the difficult decisions taken on the expenditure side may not appear to make very much of a difference to overall spending. However, when taken together, they total savings of \$100 million, and make a significant contribution to the renewal of our province.

Creating Conditions for Growth

To enhance our renewal efforts further, government must continue to create a local climate that is conducive to economic growth in an increasingly competitive global economy.

Already, firms like Standard Aero, ISM Corporation, Ayerst Organics, Monsanto, Palliser, D.W. Friesen and Teshmont engineering, to name a few located in Manitoba, are successful in competing internationally.

No factor is more important in encouraging business investment than a competitive taxation environment.

As a government, we have worked diligently to move Manitoba's combined tax burden from amongst the highest in the country to the middle of the pack. It is no coincidence that clear signs of economic improvement are beginning to show. During January and February of this year, Manitoba registered the lowest unemployment rate in Canada. As well, employment has grown by 12,000 jobs since last summer; housing starts rose 18.5 percent last year, more than double the national average; manufacturing shipments recorded the second-best performance in the country; and foreign exports increased nearly 15 percent.

In an effort to keep Manitoba competitive, I am pleased to announce that for the sixth budget in a row there will be no major tax increases. There will be no increase in personal or corporate income taxes. There will be no increase in the provincial sales tax rate. There will be no increase in payroll or capital tax rates.

Transportation

In recognition of the vital role transportation plays in the provincial economy, we will take the following action:

diesel fuel tax will be frozen for one year in order to support the trucking industry—this leaves Manitoba with the second-lowest rate in Canada;

railway diesel fuel tax will be reduced by 3.15 cents a litre to 9.45 cents to support this important area of employment in Manitoba; and

aviation fuel tax will be reduced from 5 cents a litre to 4.2 cents to boost local airport activity.

Manufacturing

To encourage further investment in new manufacturing and processing in Manitoba, we will extend the 10 percent manufacturing investment tax credit introduced in last year's budget for an additional year.

Small Business

To assist small business in creating new jobs, we will increase the payroll tax exemption from \$600,000 to \$750,000. This will result in the removal or reduction of the payroll tax for about 900 small Manitoba businesses.

A Shared Solution

Despite our best efforts to reduce spending and stimulate the economy, the serious financial situation we are facing has forced changes aimed at generating more revenue. Therefore, effective midnight tonight, gasoline tax will be increased one cent a litre to 11.5 cents, the fourth-lowest rate in Canada. The tax preference for gasohol will be reduced by one cent a litre. A new 5-cents-a-litre tax preference will be provided to encourage recycling of waste oil into diesel fuel.

In a move to help protect local jobs and level the playing field for retail business, Manitoba has entered into an agreement to have the federal government collect provincial sales tax at the border commencing July 1, 1993. In order to have the federal government collect this tax, Manitoba is required to adjust its sales tax to cover a wider variety of items.

Effective May 1, 1993, provincial sales tax will apply to snack foods, nonprescription drugs, newspapers and magazines, personal hygiene supplies, certain safety equipment, school supplies, baby supplies, and sewing patterns. Books will continue to be tax exempt.

Also effective May 1, provincial sales tax will be applied to children's clothing costing more than

\$100 per item, purchases of safety clothing and footwear, and restaurant meals under \$6.

Effective August 1, 1993, the application of provincial sales tax on private automobile sales will be tightened to ensure sales tax is collected on the fair market value.

These sales tax changes raise \$39.4 million this year, and help us keep the sales tax rate at 7 percent, the second lowest in Canada.

* (1450)

Last year, the Manitoba government paid out \$241 million through one of the most generous tax credit programs in Canada. Given our financial circumstances, it was impossible to continue this level of support. Accordingly, we will reduce annual payments by \$53 million in 1993-94 through the following changes.

The property tax credit on tax statements will be reduced by \$75 to \$250. Manitobans with family income less than \$27,500 will recover at least a portion of the reduction when they file their income tax returns. Homeowners and tenants with higher income will have their credits reduced by \$75.

A minimum property tax threshold of \$250 before tax credits will be introduced. This will ensure that every property owner makes some contribution to the provision of local services.

The income definition used to determine tax credits will be broadened to include previously exempt income from social allowances, workers compensation, or Guaranteed Income Supplements. This will ensure that, regardless of income source, people with the same income levels receive the same level of credits.

All applicants for the \$175 benefit under the Pensioners' School Tax Assistance Program will be income tested. Those having an income less than \$15,000 will continue to receive the full benefit. Benefits will phase down to zero at \$23,800 in income. Instead of receiving this benefit at property tax time, benefits will be delivered through the tax credit application process at income tax time.

The tax credit program changes also result in a \$5 million reduction in tax credit supplements paid directly to provincial social allowances recipients through Family Services.

Toward a Stronger Manitoba

In the course of this budget process, we have called upon all Manitobans to do their part to protect all that we hold dear.

As a result of their sacrifices, we have been able to control major sales and income taxes, and introduce new ways to encourage continued economic growth.

Of equal importance is the progress Manitobans have helped us achieve in the area of deficit reduction. When combined, our entire package of expenditure and revenue measures will result in a deficit of \$367 million. This is a \$195 million or 35 percent reduction from the 1992-93 forecast.

In part, this is as a result of a \$30 million transfer from the Fiscal Stabilization Fund, and a \$60 million draw from lottery revenue, including 65 percent of annual video lottery terminal revenue.

While there have been many competing requests for VLT revenue, Manitobans steadfastly believe that there is no more urgent use for these funds than deficit reduction. To that end, our plan includes continued use of lottery revenue until the deficit is eliminated.

We will dedicate the remaining \$12.3 million or 35 percent of rural VLT revenue to supporting continued economic growth and development in rural regions. Of that total, \$8.8 million, representing 25 percent of annual VLT revenue, will provide an increased allocation for the Rural Economic Development Initiative, as well as funding for special economic development projects.

The remaining \$3.5 million, representing 10 percent of annual VLT revenue, will be transferred by formula to local governments. Further details will be presented during the Estimates review.

There is no question that the Fiscal Stabilization Fund and lottery transfers have played an important role in our ability to reach a \$367 million deficit.

However, our ultimate goal is to balance the budget. To do so, we must continue our focus on controlling spending at or below current levels; we must experience revenue growth between 2 and 3 percent; and we must continue to control taxes in order to attract investment that is essential to long-term recovery.

In 1994-95, our deficit is targeted to be \$256 million. We expect to reduce it further to \$125 million in 1995-96, and balance the budget in 1996-97.

Balancing the budget is an important goal, but not our sole motivation. In reality, it is a means to an end, a way to ensure that our children will not be bound by the burden of debt that prevents them from enjoying the services and quality of life that we have been afforded.

Preserving this legacy has been our driving force, a force that will keep on guiding us as we continue on the path toward a stronger Manitoba.

Thank you very much, Mr. Speaker.

Mr. Gary Doer (Leader of the Opposition): I move, seconded by the member for Flin Flon (Mr. Storie), that debate now be adjourned.

Motion agreed to.

Messages

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I have two messages from His Honour the Lieutenant-Governor.

Mr. Speaker: All rise.

The Lieutenant-Governor transmits, to the Legislative Assembly of Manitoba, Estimates of sums required for the services of the province for capital expenditures and recommends these Estimates to the Legislative Assembly, dated April 6, 1993, signed by His Honour the Lieutenant-Governor, M. Dumont.

Also, the Lieutenant-Governor transmits, to the Legislative Assembly of Manitoba, Estimates of sums required for the services of the province for the fiscal year ending the 31st of March 1994 and recommends these Estimates to the Legislative Assembly, dated the 6th day of April 1993 in the city of Winnipeg, signed by His Honour the Lieutenant-Governor, M. Dumont.

Be seated.

Mr. Manness: Mr. Speaker, I move, seconded by the Minister of Environment (Mr. Cummings), that the said messages together with the Estimates accompanying the same be referred to the Committee of Supply.

Motion agreed to.

Mr. Manness: Mr. Speaker, I move, seconded by the Minister of Energy and Mines (Mr. Downey), that this House do now adjourn.

Motion agreed to, and the House adjourned and stands adjourned until 1:30 p.m. tomorrow (Wednesday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, April 6, 1993

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