

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 26 May, 1986.

Time — 2:00 p.m.

OPENING PRAYER by Madam Speaker.

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

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MADAM SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Madam Speaker, I beg leave to file a copy of each regulation filed under The Regulations Act, being Regulation Numbers 1/86 to 93'86 inclusive; and numbers 52/85 to 270/85 inclusive. These are being filed under the provisions of The Regulations Act.

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Thank you, Madam Speaker.

I'd like to present, for all the members of the Legislative Assembly, a copy of the "Pride of the Land," An Affectionate History of Brandon's Agricultural Exhibitions," written by Ken Coates and Fred McGuinness. I'm sure that all members of the House would enjoy receiving this document.

MADAM SPEAKER: Introduction of Bills . . .

INTRODUCTION OF GUESTS

MADAM SPEAKER: Before we move to Oral Questions, I'd like to direct the attention of honourable members to the gallery where there are 30 students from Grade 9 from Princess Elizabeth School. These students are under the direction of Mr. Rod Balkwill. This school is located in the constituency of the Honourable Member for Gladstone.

There are 17 students from Grade 9 from the McKenzie Junior High School and these students are under the direction of Mr. Procyshyn. This school is located in the constituency of the Honourable Member for Dauphin.

There are 49 students from Grade 5 and 6 from the Oakenwald School. These students are under the direction of Mrs. Joanne Gibson and this school is located in the constituency of the Honourable Member for Fort Garry.

On behalf of all the members, I wish to welcome you here this afternoon.

ORAL QUESTIONS

Conflict of Interest Legislation

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Thank you, Madam Speaker, my question is for the Premier. In view of the fact that former Chief Justice Samuel Freedman has been appointed as a Commission of Enquiry to look into the financial dealings and relationships of the Member for Transcona; in view of the fact that a great deal of time will be spent on the topic of conflict of interest, our current legislation and the various provisions thereto appended, I wonder if the Premier would agree to having Mr. Freedman's terms of reference expanded to making investigation into, and recommendations on, the guidelines, perhaps, and indeed legislative changes that might be brought in on conflict of interest as it pertains to Cabinet Ministers, Members of the Legislature, and senior civil servants.

MADAM SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, I appreciate the suggestion of the Leader of the Opposition, but I think it's important that we proceed on with the legislation this Session, that we not delay the proceeding with legislation during this current Session, and not run the risk of delaying for a further report from the Chief Justice. The Chief Justice, I'm sure, will add his own comments and recommendations and those recommendations we can consider in the Session of '87. I would like to see some legislation passed this Session in order to ensure full disclosure on the part of all members of the Legislature.

MR. G. FILMON: Madam Speaker, we have seen the effects of legislation that was brought in that perhaps wasn't adequately considered, or wasn't adequately drafted by this administration in the past. We have the appointment of an eminently qualified individual to do the investigation, I'm wondering what the Premier's concern is with not allowing him to make comments before the changes are made, rather than after the changes are made.

HON. H. PAWLEY: Madam Speaker, I'm sure that the Chief Justice will feel free to make his own comments in respect to possible changes. If there was any mistake, Madam Speaker, on the part of this government, and we are mortals like all others making our share of mistakes, it was to listen to representations by honourable members across the way in 1983 and to permit the watering down of legislation that was brought into this Chamber by the Attorney-General. We ought not to have responded to the heated submissions by the Leader of the Opposition and the former Leader of the Opposition, we should have proceeded and have cleared the legislation as we first present it and that is what I would like to do during this Session.

MR. G. FILMON: Madam Speaker, the record will show that the Attorney-General brought the amendments in, it was not members on this side of the House who brought the amendments. The question becomes,

Madam Speaker, is the Premier determined to go ahead with the legislation without having the benefit of the wise counsel of the former Chief Justice, Mr. Freedman, having made the determination that he should investigate this particular case?

HON. H. PAWLEY: Madam Speaker, there has been a great deal made by honourable members across the way in respect to conflict of interest. There have been many innuendoes that have been tossed about during the last month or two. We have nothing to conceal; we have nothing to be concerned about. It is our intent to proceed with wide open legislation. Honourable members may be nervous, and they are entitled to be nervous if that be the direction they wish to proceed, but, Madam Speaker, I would like to return to the original legislation which was introduced by the Attorney-General in '83 — legislation that was opposed by honourable members across the way. I would like to see this time, Madam Speaker, whether honourable members still view the comments, by them, during the last two months, whether they still are intent on opposing what I thought was very progressive legislation introduced in 1983 by the Attorney-General.

MR. G. FILMON: Madam Speaker, that progressive legislation had no special provisions for members of Cabinet, those with executive authority, nor for senior civil servants.

MADAM SPEAKER: Question?

MR. G. FILMON: Will the new legislation cover the special needs to govern the Members of the Executive Council, as well as senior civil servants?

HON. H. PAWLEY: Madam Speaker, dealing with disclosure of interest, the conflict-of-interest legislation, I think, is wise in that it calls upon any member of the Legislature, whether it be a Member of the Executive Council or a member of the Legislature without any responsibility in the Executive Council, to declare that interest, whether it be in a committee of the Legislature, whether it be in Assembly, whether it be in the Cabinet room, no exceptions — disclosure of interest, if you are in a meeting that requires your appropriate disclosure of interest.

So, Madam Speaker, certainly Members of the Executive Council have additional responsibilities because they are Members of the Executive Council, to disclose interest. But, Madam Speaker, if there is interest, it ought to be disclosed in this Chamber, we are not going to restrict that to the 20 Members of the Executive Council; it will include all members of this Chamber.

MR. G. FILMON: Madam Speaker, is the Premier telling us that there will be no special requirements upon the Members of the Executive Council, then?

HON. H. PAWLEY: Madam Speaker, if the Leader of the Opposition had just listened to my comments, the special requirements of Members of the Executive Council, because they are Members of Executive Council and sit on Executive Council meetings, that

they disclose any interest they might have at meetings of the Executive Council.

That, of course, does not apply to honourable members across the way. But if there be the voting of sums of monies in this Chamber that result in the benefit of a particular member of this Chamber, then there is a responsibility on the part of that member under the existing conflict-of-interest provisions to declare that interest.

Since that provision exists under the existing conflict-of-interest provisions, then I see no reason that any one of us in this Chamber should be worried about disclosing our assets.

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Madam Speaker, on another topic — (Interjection) — I'm prepared to discuss this at any time, Madam Speaker. We are not the ones who have been accused of a conflict of interest. — (Interjection) —

MADAM SPEAKER: Order, please. Order, please. Order.

Question period is not a time for debate. If the honourable member has another question on another topic, he can put it now.

The Honourable Leader of the Opposition.

Water rates - Winnipeg Hydro

MR. G. FILMON: Madam Speaker, on another topic. Did the Premier have knowledge of the potential adverse effect, the major adverse effect, on the City of Winnipeg that was brought upon by the measure in the Budget that calls for increased water power rental rates that will cost the City of Winnipeg \$2.7 million.

MADAM SPEAKER: The Honourable the First Minister.

HON. H. PAWLEY: Madam Speaker, I would just like to first, rising out of some comments from the Leader of the Opposition, I would have thought that he would have shared the concern — (Interjection) —

MADAM SPEAKER: Order, please. Is the Honourable the First Minister answering the last question of the Leader of the Opposition, please?

HON. H. PAWLEY: Madam Speaker, we will proceed on to the question though the Honourable Leader of the Opposition did volunteer a remark that I think warranted a response.

MADAM SPEAKER: The Honourable First Minister may answer the last question put by the Leader of the Opposition. Question period is not a time for debate.

HON. H. PAWLEY: Madam Speaker, insofar as the changes in the water charge rates, the Minister responsible for Urban Affairs is quite prepared to deal with that.

There is obviously an additional charge that will be borne by Manitoba Hydro and Winnipeg Hydro.

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Winnipeg Hydro, according to the information that was revealed on Friday, has a surplus of some \$14 million; and the intent of course is that both Winnipeg Hydro and Manitoba Hydro, would share in a fair way in respect to the additional assessment that they would be required to bear, arising from the Budget announcement.

MR. G. FILMON: Madam Speaker, given the fact that the city's budget has already been struck for this year and this measure will mean an additional \$2.7 million charge to the City of Winnipeg through Winnipeg Hydro, will the province be giving a special grant to the city to make up for this particular measure having taken place after they've struck the budget and the mill rate?

MADAM SPEAKER: The Honourable Minister of Urban Affairs.

HON. G. DOER: Madam Speaker, as we pointed out on Friday, the surplus in 1985 was \$14 million; that was based on a budgeted surplus of \$8 million.

We stated on Friday, and indeed we stated when we met with the Urban Affairs Committee at Cabinet, I informally said to the Mayor, if there was any matter arising out of the Budget, we would be prepared to sit down and talk about those issues with the Mayor.

We are still prepared to meet with the Mayor, discuss the impact of our decisions with him, but at the same time it would have been very inappropriate, as the Leader of the Opposition well knows, to discuss any specific matter in a Budget, prior to the Budget being tabled in this House.

Corporation tax increases

MADAM SPEAKER: The Honourable Member for Morris.

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

This morning, while I was planting on my farm, I heard the Minister of Finance being interviewed on Peter Warren, in response to a listener who was a part owner of an apartment block and who made the case that the corporation capital tax increase from .2 percent to .3 percent would cost him, as a part owner, his corporation, \$10,000 or an additional \$4 per month for each apartment dweller.

The Minister said that the extra tax should come out of profits. My question to the Minister is, where is an implement company that has large inventory — or any company that has large inventory — and has negative margins, from where is it supposed to source its additional tax requirement?

MADAM SPEAKER: The Honourable Minister of Finance.

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

The member did not relate the comment that was made with respect to that correctly. What I indicated to the owner of a large number of apartment buildings in the City of Winnipeg, on that referenced radio show, was that the decision as to where the additional tax would come from would be something he would have

to review. He was suggesting that all of it would have to come from increased rents paid on those apartments. I merely pointed out to him that there is another option and that some of that increase would be taken from the profits that company may make; so the reference was incorrect.

As was pointed out by the slight change that was made with respect to corporated capital from .2 percent to .3 percent, that there is a provision under the present system that any corporation with less than \$1 million of capital is exempt, and I'm told that's the vast majority of businesses operating in the province, and that there's only a small number that come in that category.

The decision on how the tax will be paid is certainly something that is left up to those corporations, but I would merely point out to the member, if you review the overall figures with respect to corporate profits over the past while, you will see that there have been increases in those areas over the past number of years, while there has been little, if any, tax increases, in fact at the Federal Government level reduction on corporate taxes over the last period of time.

MR. C. MANNES: Madam Speaker, the tax is increasing 50 percent and it still hit 4,000 corporations in Manitoba. My question to the Minister, will owners of apartment blocks be allowed to pass through under the regulations of rent control those increased taxes to tenants?

HON. E. KOSTYRA: The provisions of the rent regulation are as in the present and any increases that are above guidelines have to be determined through a panel process, and even any that are below the guidelines, individuals can ask for a review of those. I certainly do not recommend and certainly, unlike the member opposite, would suggest that those kind of increases should be passed on to the tenants in a block.

MR. C. MANNES: Madam Speaker, let not the Minister put words in my mouth. I never said that they should be passed on. I asked if the regulations were in place to allow for it; that's all. Let him be truthful.

My final supplementary to the Minister, why is the NDP Government, directly or indirectly, increasing those taxes that are unrelated to profit, such as this corporation capital tax, and also education finance taxes in general?

HON. E. KOSTYRA: The member can't have it both ways. He was suggesting just the other day that the deficit is at a level that ought to be reduced, and when we look at providing some increased revenues to deal with the demands on health and education, and much needed assistance for agriculture, when we look at some selective tax increases that only impact a small number of corporations in the province, he objects to that Madam Speaker. The other alternatives facing the government would be to provide tax increases on the backs of ordinary taxpayers or senior citizens. I think the government has taken the correct approach in terms of getting additional revenue resources by putting it on a situation or on those who are in the best position to pay those taxes.

Child abuse

MADAM SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: Thank you, Madam Speaker. I have a question to the Minister of Community Services.

In view of the comments by Dr. Eric Ellis, a Psychologist who is Chairman of a city child abuse committee, that relative to a possibility of a strike arising out of a wage dispute and indicating that there are currently at least 20 high-risk cases similar to ones which resulted in the death of four children in the last four months, could the Minister inform the House whether infants or children are presently in 20 high-risk situations?

MADAM SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Madam Speaker, I'll take the detailed part of that question as notice, but I have been assured that the negotiations are proceeding in a constructive fashion between the workers and the agencies.

MR. G. MERCIER: Madam Speaker, my question is not with respect to the negotiations. My question is with respect to the 20 children who are in high-risk situations. Will the Minister remove these children from these high-risk situations immediately, or assure the House that they are in a safe situation?

HON. M. SMITH: Madam Speaker, I have already taken that part of the question as notice. It was the member opposite who linked it to negotiations.

MR. G. MERCIER: Madam Speaker, one would have thought that the Minister would have become concerned about a statement by a person specializing in this area with respect to the fact that 20 children are in high-risk situations.

A final supplementary, Madam Speaker, given the fact that the regionalized system of treating child abuse has proven ineffective; given the fact that there is apparently a lack of training in child abuse; given the fact that there is obviously, and apparently resulting from a case last week, a lack of communications between regional services dealing with child abuse, in that one agency did not realize a victim of child abuse was even within their boundaries, would the Minister now consider returning to a centralized, specialized team of child abuse so that this problem can be dealt with adequately?

HON. M. SMITH: Madam Speaker, there is a centralized committee, and Dr. Ellis is a part of it. That committee was asked some time ago to review the procedures we are using, and they have been asked again to review at least the specifics of the current cases.

I remind the members that we do have child abuse tragedies. They have averaged, over the past several years, four or five a year. We have been fortunate for two years to have none, and have had a regrettable occurrence just recently. I have already asked for a full report on those, and the Advisory Committee is functioning as a central coordinating group on the entire area.

I assure the House that the entire issue of child abuse, and how we deal with it as the total community, and through the Child and Family Service system is a top priority of concern for me and the government.

MADAM SPEAKER: The Honourable Member for River Heights.

MRS. S. CARSTAIRS: Thank you, Madam Speaker. My question is also to the Minister of Community Services.

Can she tell us, what are the exact numbers of child abuse cases in that the Winnipeg-Northwest Child and Family Services Agency, in fact, had 499 cases, but only 78 of those appeared on the Child Registry list?

HON. M. SMITH: Madam Speaker, I welcome the opportunity to clarify the registry practice. The Child Abuse Registry only records one level of abuse cases; there are, in fact, three.

The first level is where there has been an allegation and when the investigation reveals that there is no evidence of abuse, then that is a Level 1 case. Of course, the agencies will have that recorded on their list.

The second level is where there has not been any proven abuse, but where the people involved still have some concerns, either about whether or not abuse occurred, even if it isn't provable, or whether the level of parenting is not adequate. Those numbers are also listed at the agency level.

The Central Abuse Registry only has the Level 3, that is where investigation proceeds and where there is significant evidence. You may recall when we set up the Abuse Registry that there was a parallel concern for the civil rights of the persons who were accused. As a matter of fact, in Ontario they have had a civil rights case that has invalidated the child abuse registry in its entirety. Now we're trying to forestall that here because we feel it is a important part of our service.

We did ask the Child Abuse Committee, the advisory committee, to review the procedures we were using and the checks and balances and report whether there were any fine tuning that could be made in our system so that we could appropriately balance the rights of the abuser and the protection of children. That report, I understand, will be given to me this week.

MRS. S. CARSTAIRS: Madam Speaker, a supplementary please. Are you suggesting, Madam Minister, that 84 percent of the cases are either allegations or not proven?

HON. M. SMITH: Madam Speaker, I can't comment on the precise percentage, but because we have put in place a co-ordinated reporting obligation on the part of teachers, workers, doctors, police, we are getting many more allegations of abuse than will stand up to actual investigation. But we felt that because of the severity of the problem and the need to get as early warning as possible, that that wider net was an important piece of the total program and, of course, that went in a couple of years ago when we developed the joint protocols for all professionals working with children.

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Potash mine, Manitoba - status of

MADAM SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Madam Speaker, I direct this question to the Honourable Minister of Energy and Mines. During the election, we heard a great deal from the former Minister of Energy and Mines about the development of a world-class potash mine in the Province of Manitoba. I wonder if the present Minister can indicate where in the Budget, or has the government decided on a fixed amount of investment in this project?

MADAM SPEAKER: The Honourable Minister of Energy and Mines.

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

MR. H. ENNS: A supplementary question, Madam Speaker. Would the Minister also indicate through which vehicle the government intends to make this — I was going to say ill-advised investment, I'll wait to debate that on another occasion, Madam Speaker — but will it be the Manitoba Mineral Exploration Corporation, or will the monies allocated for this venture appear under one of the capital schedules?

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

Baseball stadium - status of

MADAM SPEAKER: The Honourable Member for Ellice.

MR. H. SMITH: My question is to the Minister of Sport. What is the latest in the Triple AAA baseball stadium? Have the details been worked out; give us some information?

MADAM SPEAKER: The Honourable Minister for Sport.

HON. L. DESJARDINS: Madam Speaker, you know there has been a tentative agreement between the city and the province for the construction of a baseball stadium, and certain conditions were part of the proposed agreement, but to co-operate with the city, or with the mayor in this committee, who had to report to a committee — and this is done openly, they're not behind closed doors — the details were not revealed. All the details were not revealed, but I've reminded the mayor that there should be an agreement soon and that the conditions would have to be met and there are discussions now at the level of the city solicitor and ours to finish the agreement. But all the conditions will have to be met and I've reminded the city of that.

MR. H. SMITH: Will there be the equivalent of an environmental impact study to determine whether or not the community adjacent to the proposed stadium will accept such a development?

HON. L. DESJARDINS: Madam Speaker, one of the conditions — and that one was made public — there

would be a meeting for the people in the area to discuss the Omand's Creek development, the proposed park adjacent to the Manitoba Health Services Commission property and all the way north. The discussion of the parking and probably some plans and so on will be discussed at that meeting with the people in the area.

Civil Service positions - impact of Budget

MADAM SPEAKER: The Honourable Member for Brandon West.

MR. J. McCRAE: Madam Speaker, I see the Minister of Finance seeking the floor. I'll give him an opportunity, my question is directed to the Minister of Finance.

Will the Estimates tabled last Thursday result in the elimination of 200 public service positions; and if not, how many?

MADAM SPEAKER: The Honourable Minister of Finance.

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

There will be changes in the staffing as a result of various decisions that were made with respect to expenditure changes. The overall impact would be probably a slight increase in the amount of Civil Service positions generally, although there are some positions that are being reduced in some areas where programs are being changed, or altered, or closed, and in other areas there are new programs being put in place that require additional staff resources. So the net impact of those changes will be a small increase in the number of positions overall.

Any positions that have been deleted, or are being reduced, are being done so in co-operation with the employees affected and their bargaining agent. I anticipate that all the changes will be accommodated within normal attrition and the government will work with the employees and the union to ensure that that does take place.

Main Street Project

HON. E. KOSTYRA: While I'm on my feet, Madam Speaker, I wanted to reply to a question that my Acting Minister took as notice last Thursday, May 22nd, from the Honourable Member for River Heights, asking a question as to whether or not there was ongoing negotiations with the Main Street project. I can reply, yes, that negotiations have been ongoing for some time and are continuing with the Main Street Project.

In addition, she asked whether or not they were prepared to go on strike tomorrow — tomorrow in that context being Friday, May 23rd. The answer is no, obviously, since there is no strike at the present time, and that was some time ago. Also I'm informed that there is no immediate prospect for job option.

Civil Service positions - Impact of Budget

MR. J. McCRAE: Madam Speaker, getting back to my question, would the Minister provide this House with a list of the positions to be eliminated and the new positions created?

HON. E. KOSTYRA: That information is provided through the usual process of review of departmental Estimates, but I'll review that specific request to see whether or not it can be accommodated.

MR. J. McCRAE: Madam Speaker, by his answer, is the Minister indicating that there are no finalized plans and that the government hasn't prioritized the distribution of these positions, thus leaving the matter hanging as a threat to public servants across the province?

HON. E. KOSTYRA: No, Madam Speaker, that's not what I said. The member is following his script and his questions don't seem to follow the answers I'm giving. The usual practice in this House is that the Estimates of each department are reviewed through the Estimate process and are subject to full review and detailed review by the House in separate committee. At that time the details of staffing of all those departments are made available.

What I did indicate was that I will review his specific request to see if there can be an overall statement of staffing changes provided. In any case, he has the full opportunity to review each one of those staffing of every department in government. The employees are not being left out hanging, Madam Speaker. There is a process of review with the employees affected and their bargaining agent to ensure that employees are relocated and nobody will be declared surplus, outside of government service, as a result of these changes.

CRISP Program

MADAM SPEAKER: The Honourable Member for Gladstone.

MRS. C. OLESON: Thank you, Madam Speaker.

My question is to the Minister of Finance. What is the estimated cost of increasing the funding of the CRISP program, as announced by the Minister in the Budget Address?

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: I'll take that specific question as notice. I believe the figure for a full year would be somewhere in the neighbourhood of about \$2 million.

MRS. C. OLESON: Could the Minister also take as notice, the question that arises from that arises from that statement. In the line of Estimates that include that there is a \$300,000 reduction in the CRISP funding; could he explain that please?

HON. E. KOSTYRA: Yes, Madam Speaker, I can explain that. The changes that took place with respect to CRISP were a very late decision made with respect to the Budget, and the specific Estimates which go to print, so to speak, some time prior to the actual Budget date, did not reflect that change. It's our intention to look at those increases as a result of savings in other areas to ensure that the overall increases are within what we expended.

The member suggests that's 11th hour. We looked right up to the last moment to look at what kind of

measures could be put in place that would assist farmers in our province, and I don't apologize for that, Madam Speaker.

Landlord and Tenant Act - changes to

MADAM SPEAKER: The Honourable Member for Ellice.

MR. H. SMITH: Madam Speaker, I have a question for the Minister of Housing.

In the paper on Saturday, there was an article about how a renter went ahead and wrecked a house that he was renting. I would like to ask the Minister if there are any contemplated changes in The Landlord and Tenant Act to deal with this type of tenant.

MADAM SPEAKER: The Honourable Minister of Housing.

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

This is a matter that is presently under review of the committee that's looking at The Landlord and Tenant Act. It's one of the things that we are trying to tighten up. We want to make sure there aren't abuses on either side. We don't want abuses by landlords and we don't want abuses by tenants. They each have rights and responsibilities, and I think those are the changes we're looking at making.

Presently, though, there is a clause under the present act that would allow the department, under 103.9, to terminate a tenancy. I don't think this person was perhaps aware that he had access to some help from the department to get rid of tenants, or to help get rid of tenants, that were clearly destroying the property. If he chooses to go court, which he did do, it precludes my department from being able to be involved.

What they want to do when they're looking at the review is make sure that there is some enforcement. Presently, the law as it stands says that we can evict somebody, but we can't enforce it, Madam Speaker. Of course, enforcement is what is very important, so that's where we are looking at tightening up the act.

Cook's Creek Diversion Project

MADAM SPEAKER: The Honourable Member for Springfield.

MR. G. ROCH: My question is to the Honourable Minister of Natural Resources. Given the fact that the capital expenditures budget of the Department of Natural Resources had been reduced by about \$4 million, could the Minister assure this House that the Cook's Creek Diversion Project, a project already approved and under construction, will not be postponed or cancelled?

MADAM SPEAKER: The Honourable Minister of Natural Resources.

HON. L. HARAPIAK: Madam Speaker, details of that nature will be revealed adequately in the Estimates process.

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MADAM SPEAKER: Did the Honourable Member for Springfield have a supplementary?

MR. G. ROCH: Why can the question not be answered now? Those people are all wondering what's happening over there. They have been told verbally that the project has been cancelled; has it or hasn't it?

HON. L. HARAPIAK: Madam Speaker, as a newcomer to this House, it seems to me that there must be several hundred questions that would be posed if we decided to use this arena at this time to answer specific questions. It is my understanding that those questions would be more appropriately answered during the Estimates process.

MR. G. ROCH: What you're saying then is that you will not reassure the people at this point, one way or the other, despite the fact that your officials in your department have told them verbally that the project is cancelled.

HON. L. HARAPIAK: Madam Speaker, I would only say that there is no indication on my part that the project is cancelled. But, to answer specifically, the degree to which we will be dealing with the various projects which are under the auspices of the Department of Natural Resources, I do not feel would be appropriate at this time.

EXPO '86 office - staffing

MADAM SPEAKER: The Honourable Member for Portage la Prairie.

MR. E. CONNERY: Everybody should be forgiven once. To the Minister of Business Development and Tourism. It is evident that Expo '86 is going to be a resounding success and, because of the short-sightedness of the government, we're the only western province that is going to be without a pavilion; will the Minister then tell us who is hired to work in the office that we have in the Canadian pavilion?

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

HON. V. SCHROEDER: Thank you, Madam Speaker. I don't have the particular name of the individual here. I will take that as notice.

But there was an implication that we had nothing happening there and that we were different from every other province. Of course, people such as the Member for Sturgeon Creek, know full well that there are other provinces in similar circumstances, excepting that we believe we have gotten a very good location, and that we're getting some very positive results from our particular location.

MR. E. CONNERY: To the Minister, again, are there people from the Province of British Columbia going to be working in the pavilion, or will it be Manitobans that will be working in the pavilion? If it is Manitobans, will they be government employees?

HON. V. SCHROEDER: There are a number of Manitobans who are with the Department of Industry,

Trade and Technology, who are within the Civil Service in various areas of expertise, who will be at the site at different times, depending on the particular private sector corporations who are there from Manitoba at a given time. People with expertise in the food-processing sector would be there when the food-processing companies are there; people from the agricultural implements sector will be there when the agricultural implement manufacturers are there, and so on.

I don't know off-hand that we will be hiring anyone from B.C. My recollection is that all of the positions are being filled by people from Manitoba; there may be one or two from B.C., but I'll get back to the member on that.

MR. E. CONNERY: I think the suggestion has been that it's going to be an opportunity for a lot of government employees to have a trip to Expo and have a holiday at government expense. Could the Minister then tell us how many suites or hotel rooms has the government rented, and for how long of a period of time?

HON. V. SCHROEDER: Madam Speaker, I sometimes wonder about the schizophrenia across the way. On the one hand, they don't want us there and, on the other hand, when we point out that we have a presence there geared specifically for the economic development of Manitoba, they make the suggestions that somehow the people working there are somehow holidaying, and that is simply not accurate. — (Interjection) — Quite frankly, the member from the deep west there, Arthur, suggests I'm going to take a holiday. The last place I would want to be this summer is at Expo. I would like to be working here getting my departments in order and so on. I don't expect to be at Expo.

But the Department of Industry, Trade and Technology has, to my knowledge, at least I believe, two suites in an apartment block in a suburb of Vancouver, and the calculations were very very clear that those suites would come in at much less expense than had we gone with hotels downtown or any of those extravaganzas which other provinces have entered into. We are quite prepared to give the numbers to the members opposite to let them see what Alberta is doing, what Saskatchewan is doing and other provinces are doing.

MADAM SPEAKER: The time for Oral Questions has expired.

ORDERS OF THE DAY BUDGET DEBATE

MADAM SPEAKER: On the proposed motion of the Honourable Minister of Finance, standing in the name of the Honourable Minister of Industry, Trade and Technology.

HON. V. SCHROEDER: Thank you very much, Madam Speaker.

I would like to begin by congratulating the Finance Minister for an excellent Budget, a Budget with an emphasis on continuing the strength of our economy

and jobs; with an emphasis on the agricultural sector; with an emphasis in our health, social and economic development. He again makes the point which has been made by him before, and others in this New Democratic Administration, that social and economic development must go hand in hand. You can't have one without the other.

I guess the best example of the attempt to do one without the other is the Province of British Columbia and its, I believe, insane attempt to move completely away from social development, only to attempt to bolster economic development, and they've managed to fail in both areas. This government has been a success in the past and especially — I guess everyone knows, Madam Speaker — in the area of social development, the New Democrats have been able to deliver the goods in the past. That's no surprise.

We have in the past year, while Canada as a whole had more people in poverty, here in Manitoba we were moving in the opposite direction of having fewer people in poverty, something we are very proud of, Madam Speaker, because we say that we look toward a society where there is greater fairness in the sharing of goods and services, not only goods and services, but also power, also decision making. I believe we are moving toward a society in Manitoba where we are able to do more sharing in all those areas. Everyone knows we've been able to deliver the goods, be it on the pension plan, be it on Medicare, be it on protection for workers and, of course, some areas are possibly social development, possibly economic development.

Every time we have raised the minimum wage in this province we've had the doomsayers from the Tory party stand up and say: this will not work; you're heading in the wrong direction; you're going to ensure that young people don't have jobs and so on. When the statistics come in at the end of the years when we do these things, we've demonstrated that in fact we've done better than we were doing under a Tory Government, and we have provided a little more fair sharing of goods and services for those people who are at the low end of the income scale.

So we've been able to do those social things — some social and economic. We've also been able, I believe, to deliver the economic goods and that is something that, quite frankly, the polls showed four or five years ago that we didn't have the kind of credibility on that we wanted to achieve. We believed we had some answers for Canada and for Manitoba. Now it is clearly demonstrable, by practically every major economic indicator, that fair sharing can be a part of greater economic development, and we have demonstrated that we are delivering the economic goods.

You can look at things such as population statistics — I referred to them before under the great Conservative burgeoning of the economy during the late 1970s and early '80s. They had fewer Manitobans left here the day they left office than the day they came into office in 1977.

Gross provincial product has increased significantly and has done well, as compared to other parts of the country.

Unemployment rates, by region — and I refer to the Budget in brief, a very good document, the source in this particular instance is Statistics Canada — it shows

we're in the lowest area in the country. The unemployment record here has been pretty good — second, third lowest, sometimes lowest. This is at a time when we're not losing population, this is at a time when we're gaining population at a faster rate than at any time since World War I. This wasn't accompanied by a drop in population, it wasn't accompanied by people fleeing the province for other places, such as happened between 1977 and '81.

Capital investment, again, Manitoba stands out as the area with the strongest capital investment increase from 1982-86 and, Madam Speaker, this is before Limestone. Limestone's implications come this year, and a few years down the road but, in the last few years, we have been anywhere between No. 1 and No. 3 in this country, and that's changed from No. 9 and No. 10 when the Tories were in office. All of those kinds of indicators demonstrate that we can deliver, and in fact are delivering the economic goods for Canadians.

I'd like to deal briefly with Limestone, basically for two reasons: No. 1, there are still some Manitobans who are still not convinced of the soundness of that investment. I believe that is largely because of the Progressive Conservative rhetoric from the opposition benches. I gather that, as well, from the heckling in the House. I heard the Member for Portage la Prairie referring to Limestone in quite derogatory terms, suggesting that it was going to be something that would be very very costly to future generations. In fact, if you refer to the Progressive Conservative plan for economic growth, which they unveiled during the election campaign, they referred to Limestone as a bubble of pretense. They talked about Hydro development in general as being a few thousand jobs, perhaps a few dozen permanent jobs and, thereafter, an extra burden on the farms and small businesses and hospitals and schools where Manitobans really work. That was their projection of what happened in respect to Limestone.

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

I think that is an incredible distortion of the reality of what is happening at Limestone, and I would like to refer to the report of the National Energy Board. I should say before I do so that there are many other examples of Conservative quotes saying we should not proceed with Limestone, but what if we had not proceeded? What would we say to the Manitobans who had taken the time to inform themselves as to the issues, as to the reality, and not to the bubbles opposite? What did the National Energy Board, which is an independent board, not set up by us but by the national government, what did they say about whether or not we'd gotten the best price for our power? Because frequently, there are suggestions and innuendos made by the Conservatives that we didn't get the best price; we were just so desperate we just went out there and bargained away our heritage. This is what the Board said and I'm quoting directly. "The Board is satisfied that, in the circumstances of this case, the export price is the best price that could be negotiated by the applicant in its particular United States market." The best price which could be negotiated — not the second best, not an average price, the best price that could be negotiated. Would the price be greater than prices to domestic organizations which used similar amounts of power — because there have always been, in fact, some of the older interruptible contracts were at

cheaper rates - so in this case, again there has been innuendo from members opposite that somehow prices would be lower to the people using it in the U.S. than people here in Manitoba. What did the Board say about that argument? It said, and I quote again, "The Board is aware that the export price would be substantially greater than the rates paid by the applicant's large industrial customers." "Substantially greater . . ." No question that we're not getting more than what we would get if we sold that product in Manitoba. Now, the Board, of course, does not have jurisdiction to determine the timing of the construction of our dams. It can, however, comment on the proposal.

This is what the Board stated about the proposal as a whole. "The Board's assessment of the export proposal has not, however, turned up anything to suggest that the utilities generation expansion decisions are wrong." The Board, after using its expertise to determine whether this project made sense, came back and said there was nothing to suggest that any of the decisions of our utility were wrong. Nothing, not a thing, including all of the rhetoric the Tories gave them at that time.

The Board went on to agree with Hydro's contention that a two-year advancement of Limestone would be more profitable than a one-year advancement. Of course, it also said a one-year advancement would be more profitable than no advancement.

What did the Tories have to say about that? This is Gary Filmon, Winnipeg Sun, October 12, 1984. "Our objection isn't to the sale; it is to an early start-up of Limestone." We can go on and on with those kind of quotes; it is an early start of Limestone.

What does the Independent National Energy Board have to say about the early start-up of Limestone, and whether or not that will be profitable to the people of Manitoba? This is what they say. "The Board has carefully examined the cases representing both the sale sequence and the 500 megawatt sale sequence cases. For the sale sequence, from Manitoba Hydro's perspective, the excess of revenues over costs for the two-year advancement would be about \$20 million more than for the one-year advancement. From the perspective of Canada, as a whole, corresponding benefits would be in a similar range as those for the one-year advancement. While it is true that the cost-recovery period associated with the proposed export is a long one, the estimated revenues will substantially exceed the estimated costs over the period of the export." That's what they're saying.

They go on to say that bringing forward by two years the Limestone Dam will provide, in total, substantial increases in profits to Manitoba Hydro. I quote, "The results of the Board's analysis for the sale sequence showed that Manitoba Hydro could be estimated to derive net revenues of about \$385 million from the two-year advancement case".

Mr. Deputy Speaker, a \$385 million net revenue to the taxpayers, to the people of Manitoba, because we chose to advance the hydro-electric dam by a two-year period, and the Tories are still saying we shouldn't have gone ahead with it. What kind of dereliction of duty would it have been to the people of Manitoba not to proceed with it. If anyone read that document, looked at the background to it and then said, we will be Chicken Little and we will not proceed with a project which we

are told by independent experts will provide us with a profit of \$385 million, what would have been the reaction of the Manitoba taxpayers? They'd have thrown us out of office and we would have deserved to have been thrown out of office if we could not understand that a two-year advancement would make a profit to Manitobans estimated at \$385 million. One of the reasons the Tories are sitting on the other side is that they have this kind of Chicken Little mentality.

Well, Mr. Deputy Speaker, I hope that the Opposition will now join with us in supporting this very important Manitoba project against the numbers of which they have never presented one iota of evidence.

I recall previous Industry Minister, and I quote — taking the liberty of changing only two words — the Member for Sturgeon Creek said this in February of 1980: "Mr. Speaker, it just makes me sick when Manitobans criticize Manitoba. I tell you this. The reason they have got into that habit because we've had the Conservatives around for so long preaching doom and gloom. You know, the Conservatives keep continually running down the greatest province in Canada. We've got more water, more sand, more culture, more everything in this province, and I defy any one of them to sit down and start writing the good things in this province and if they can't come up with a 40-minute speech or a two-hour speech, they ought to be ashamed of themselves, but it's always run it down and mix it up." That's the Member for Sturgeon Creek and the two words exchanged, of course, are Conservative for NDP.

Just so that I can demonstrate that it's not so bad to have two words wrong, I quote from the Member for Sturgeon Creek later on in that year, May 1, 1980. "Mr. Speaker, the gentleman that wrote the article also used semantics. If they want to use word, it was as far as Schnieders is concerned, I guess that could be regarded as something that might have been wrong. There were 2 words wrong in the 10 and I looked over my speech very well, 2 out of 10."

I think the point is well made. It is time we had the Opposition standing up and speaking out for Manitoba, instead of preaching the doom and gloom and Chicken Little that they've been doing for the last number of years. I would hope that they would begin to do that at about this stage.

I cannot help but comment on the speech of the Leader of the Opposition. It was pretty clear, No. 1, that the laudable efforts of the Minister of Finance to provide advance information through the lock-up system — something which no previous government has done, be it Liberal, Conservative or NDP — those laudable efforts in terms of their impact on the understanding of the Leader of the Opposition of that Budget were a total waste of time, effort and money, unfortunately. We're waiting, however, for the Member for River Heights who may well demonstrate that, in fact, there has been some benefit to the province in going through that exercise. His predictions, Mr. Deputy Speaker, haven't improved at all from the past.

For those members opposite who have a great deal of faith in the predictions of the Leader of the Opposition, I want to go through some past predictions of his. Remember the speech he gave in March of 1983. It is very important because this goes to the heart of the differences between the New Democrats and the

Conservatives in this province. In the depth of the recession we never abandoned social development in this province. We never abandoned our vision of a fair Manitoba with fair shares for all. At that time, we had to do some tough things, things that they said were going to ruin this province. We said we will move along, we will have confidence in the future. Here is what he said about the Budget in 1983. "This recovery will come for North America and world wide, but it will pass us right by, and the reason is that, of course, nobody looks upon Manitoba as a safe, secure, reasonable place to invest anymore." Nobody looks upon us as a reasonable place to invest anymore. He said it twice. I take it that was the chorus effect.

That was the Leader of the Opposition who, if his predictions are not better in the future, will become the next ex-Leader of the Opposition, certainly never a Premier of the province, when he makes those kinds of predictions which are so clearly wrong, which so clearly misunderstand the ability of Manitobans together to work through difficulties and not just to attack the government and pretend that if it wasn't for the government all the problems would be solved, given that we were in the midst of the worst recession since the 1930's Depression, some people have said the worst depression since the 1930's recession.

It was a very difficult time and we stood together and with the business community and with labour and with working Manitobans, men and women, we came through that recession, as I've indicated, in much better shape than this country as a whole.

When you compare what we did here in Manitoba together with what the Government of B.C. attempted to do in B.C. with their economy on their own, it is clear which philosophical way one must go to develop the future.

We had the prediction a few years back from the Leader of the Opposition that rent controls were going to drive our entire — I'll quote directly from him: "They have bureaucratically entrenched rent controls. I'm not opposed to rent controls. We had rent controls, and good rent controls in this province."

I just, as an aside, say that was his definition of good rent controls, and I would suggest that the results of the 1981 election, in areas that had apartment blocks, speak for themselves, speak very, very eloquently for themselves in terms of whether we had good rent controls or bad rent controls.

He goes on and says, "It will destroy all of the building construction for rental accommodation in this province in the next few years and it will destroy building trades jobs in this province, all of the building construction for rental accommodation down the tubes," is what he says.

Did that come to pass? Of course not. It didn't come to pass because we had a Manitoba where people wanted to work together and did work together and we worked our way out of the recession; and we had long since figured out that chasing people out of the province was not the way to develop this province, and they came back. When people came back there was a need for more rental accommodations and those rental accommodations were being built and they are being built.

During the speech of the Leader of the Opposition, he came forward with the one innovation of his speech

by talking about where he would have cut spending. Maybe I'm wrong, but I have the feeling that the Member for River Heights had something to do with that.

This is the first time in four-and-a-half years that I have heard the Member for Tuxedo, the Leader of the Opposition, come here and give us some positive alternatives. Now, maybe I wasn't listening all the time. Sometimes, quite frankly, the comments from across the way were very difficult to follow; but anyway he made some spending reduction suggestions, the \$40 million on the Jobs Fund, and we'll be going into that at a later time. I'm not going to take the time of my speech on that.

He had several other areas where he would have cut spending from what we've done. Basically, I think a total of much less than \$60 million in cuts, and of course the health and education levy itself would have taken up a decrease in taxes of at least \$100 million a year; so that would have made up for that, although I understand he also indicated that he wouldn't have eliminated the health and education levy for all employers in the province, which of course would have been a complete and utter abandonment of a policy, the No. 1 promise the PC's made over the last three years to Manitobans.

Right after the election, not only don't they like a Throne Speech that says this is where we stand, this is what we're going to do because it happened to be the promises we made, they come into the House and the first major speech on economic development, you have the Leader of the Opposition saying we would have abandoned our first promise to the people of Manitoba. Of course, they haven't even been elected.

They say it's because of a \$55 million increase in the deficit for last year. If anyone calculates out the cost of that — first of all, they knew every penny, other than that \$55 million, of debt they would have to deal with in 1986-87. Knowing that, they still made that decision to say they would eliminate that tax and do all those other wonderful things.

That \$55 million works out, the interest on that, to less than \$6 million. For that \$6 million that group would turn around and abandon a \$100 million promise and try to pin it onto that kind of a change, knowing full well when they made their rebuttal to the Budget speech, that interest costs overall have come down far more than that \$6 million since the time they made their promise on the health and education levy.

They would suggest that it's on that basis that they can just say, well, no, this is the No. 1 thing we ran on, but we're going to jettison it. I have said in the past, Mr. Deputy Speaker, that what we have across the way is the "Fun Party," the "Party Party," the group that has it both ways.

They spend the money and say they wouldn't tax and say they'd have lower deficits. They've been doing that year after year after year. This time, admittedly with a couple of new wrinkles, it's the first time they've admitted they wouldn't have eliminated the health and education levy; and they've made some suggestions for decreased expenditures, which are things we can discuss rationally in the future.

At the same time, we had members from across that whole array of a coalition of sort of from the far right to the far, far right to the middle, making all kinds of suggestions about more spending.

Last Friday, and I haven't gone through Hansard, but I just jotted down, because I was hoping to have a chance to talk a little bit after the Leader of the Opposition spoke, there was the Member for Pembina. There's a fiscal Conservative for you, and what was he up on? He wanted us to spend at least \$19 million more on roads, highways. That was just to get us back where he felt we were last year and last year he said we were too low, so I'm sure if you asked him how much we should spend there he would add another \$50 million, but let's give him just the \$20 million.

We had the Member for Arthur telling us we should cut down \$20 million on education tax. That sounds like a pretty good deal, a Santa Claus down there, \$20 million. We had suggestions on drainage; we had the Member for Charleswood standing up and decrying the fact that we are not spending enough money on urban affairs, that the urban affairs budget has not been dealt with fairly, and we have, I believe, 60 percent of provincial revenue coming out of the City of Winnipeg and we should have a proportionate expenditure here. I'm sure you heard him say that as well. That's in the tens of millions of dollars.

So we've already eaten up every penny the Leader of the Opposition has suggested he could save. It's sort of the leader throwing a couple of items into the pot and he has all these fiscal Conservatives busy spending faster than he can throw it into the pot. It's an incredible scene we have across the way, where they are all things to all people.

Any constituent comes up to you and says, "I want some spending," they're in the House saying, "Let's spend more, let's spend more in Portage on the institution; let's spend more in Springfield on drainage works; let's spend more in northeast Winnipeg on the Concordia Hospital; let's spend more." Every particular area is saying, more, more, more, and then they pretend that they care about the deficit and they can do something about taxes. What a bunch of — you know, that is schizophrenia, the schizophrenia that — in fact, I look at a Free Press article dated Saturday, May 5, 1984 — everything I said then is as exactly true, with minor little adjustments of the changes that the leader has made, as it was then. I said at that time the Tories are infected with negativism, they are obsessed with doom and gloom, they are almost totally devoid of constructive criticism . . .

A MEMBER: Opportunist? Did you mention opportunism?

HON. V. SCHROEDER: No, I didn't say opportunism, but then they lost their opportunity to win that election probably as a result of that total negativism of theirs in terms of what we do, and their terms of total opportunism in terms of coming along and saying yes to everybody who comes along and suggests that they need spending for their particular area.

Mr. Deputy Speaker, I am not going to be long this afternoon; I'm not going to use my 40 minutes. I know that we have a number of our people who will be getting their first opportunity to get into a Budget debate.

I want to repeat that I am very proud of what our government has accomplished over the past four years, where we are heading. I believe we are heading in the

right direction. The Minister of Finance indicated in his Budget that our debt payments had become a smaller proportion of overall debt payments in this country since we took office.

The Budget, in brief, indicated — (Interjection) — Well, actually, there are a number of financial houses who look at that fairly closely. The Budget, in brief, indicates that in terms of debt charges per capita, which have something to do with past expenditures — debt charges per capita — Manitoba is more than \$100 per person below the all 10-province average. That's something I don't hear the Member for Morris saying to his constituency when he talks about our financial position. I don't hear the Leader of the Opposition pointing out that there is no province to the east of us who pay as small a proportion, as small a dollar payment on debt costs, as people in the Province of Manitoba. They don't talk about that.

They talk about tax increases, deficit increases which are there, which have been there with all governments in this country. The deficit increase in Saskatchewan, as an example, has gone from a surplus position in 1982-83, whereas we came into office in 1981-82 with a deficit of over \$250 million which you people never refer to. You people came into office in 1977 saying you were going to reduce the deficit, and you had a larger deficit the year you left office than the year you came in even though you had done every single rotten thing to our economy. You cut back on nursing homes; you cut back on health care; you cut back on education. After you did all of that, and people starting leaving, your tax base shrank and you had a larger deficit than the year you came in although that was a raise in debt, that was why you came into office. You spent three years ranting and raving across this province about the deficit and you wound up increasing the deficit over your four-year period from when you came into office.

We didn't say we were going to decrease it. We said we were going to be rational about our expenditures, we were going to be prudent, and I believe that we have been. I believe that the investment climate in this province demonstrates that very clearly. Our expenditure increase is one that is reasonable related to what is happening in other parts of the country. We have the third lowest expenditures per capita in this province. That's something I never hear opposition spokespeople talk about.

We have largely increased our agricultural expenditures, which is a very good thing for our agricultural community and for the rest of us because we all depend on agriculture and Polder III and those other kinds of things so much.

So it's been a very good Budget, I believe. I believe it is heading us in the right direction; it is not out of line. For example, our spending increase, in fact, I believe is a little lower than the increase in Ontario. They have had to increase taxes here and there; we have had to do those kinds of things. It is not an unreasonable Budget. It is one that I would hope that just for once the opposition would leave aside its strident partisanship and come forward and support this Budget which they know, in their hearts, is going in the right direction as we did over the last four years.

We were the province in the west which shone. We were the province in the west which bloomed, which had investment, which had increases in population and

all those other indicators. We are the province where there is a better level of living today than there was a few years ago. We are the province where there is less poverty today than there was a year ago.

That kind of thing, I would think, and the continuance of those kinds of economic policies, should very clearly be things which should demand of the opposition, if it is fair, if it is reasonable, if it is impartial, to stand up and support this Budget.

Thank you.

MR. DEPUTY SPEAKER, C. Santos: The Member for Rhineland.

MR. A. BROWN: Thank you, Mr. Deputy Speaker. This is my first opportunity to speak during this Session, and I would like to start out by wishing the Speaker well in her onerous task of keeping proper decorum and impartiality in the Chamber.

I would also like to welcome and bring my best wishes to all the new members and congratulations to all the members who were successful candidates in the election.

I also wish to take this opportunity to thank the electors of Rhineland for returning me once more. Mr. Deputy Speaker, I do not wish to rehash the election, but I must make a few comments about the election in Rhineland, following the comments made by the Minister of Trade and Technology where he claimed that even in Rhineland it was getting to be respectable to vote NDP, or words to that extent.

We had a clean fight in Rhineland, and I commend the campaigns of the Liberals and the NDP who helped keep it clean. The NDP candidate was a good friend of mine and popular in his own community where he won every poll. Strange NDP policy, however, was generating in Rhineland when the team promoting the candidate did so by saying that the NDP and their candidate were totally opposed to abortion, and they went all over the constituency saying this, and that they were opposed to day care.

At an all-candidates meeting in Altona, the Rhineland NDP team strongly stated, Mr. Deputy Speaker, that they thought it was the mother's duty to look after her child and that too much money was being spent on day care. It is too bad that Madam Speaker is not in her Chair because I assured them at that time that the Member for Wolseley certainly would not agree with their sentiments. That is why I say that we had a rather strange campaign by the NDP in Rhineland, but that's enough about the election.

Mr. Deputy Speaker, the Budget last Thursday might have been termed disappointing and a disaster by most responsible Manitobans in spite of the fact that Manitoba had a good year. The farming sector had one of the largest crops ever, except for a few areas. As a result of that, the business community did well, and revenues will increase by approximately 8 percent, an excellent time, an opportunity to decrease the deficit.

This government believes that it is acceptable to have a \$500 million deficit year after year. They don't seem to realize that the debt service charges rise in accordance with the debt. This government has no guts or fiscal responsibility.

What will they do, Mr. Deputy Speaker, if interest rates should again rise above the 15 percent level? No

doubt, the credit rating will go down as a result of not getting expenditures under control, and we will pay higher interest rates on the monies that we have borrowed.

Mr. Deputy Speaker, I agree that in some areas such as agriculture, an injection of capital is needed because of falling commodity prices and higher input costs. The agricultural community must survive, because it is the backbone of this province. We should explore every avenue in order to keep agriculture viable. We must initiate much more research into agricultural products that could be grown in Manitoba, and assist in the marketing of these products.

We all see the handwriting on the wall. Countries that were major importers of wheat a decade ago are now exporting. Who ever thought that India with its millions of people would ever be exporting food? But they are. China is fast becoming more self-sufficient. What will happen if the Russian socialists ever learn how to produce wheat? All of Western Canada would be absolutely devastated, because we have few options other than wheat.

We should be focusing our attention on as many alternate crops as possible, pulse crops such as corn, sunflowers, peas, beans, sugar beets, vegetables and fruits that we can grow should be encouraged, and assistance given in marketing wherever required.

I sincerely hope that this government will help sustain the sugar industry in Manitoba. Canada has to import every kilogram of sugar that is not produced by sugar beets. Canada should become self-sufficient in sugar. This would take 800,000 acres of prime wheat-growing land and divert it into growing sugar. Crops like this could be of great assistance in avoiding the problem of overproduction of grain which is upon us, and will increase as years go by.

It is imperative that this government address itself to the problem of a glut of grain on the market that is rapidly bringing the agricultural community to bankruptcy. The government must assist in alternate plans in order to keep the agricultural community viable.

Another area in which cutbacks in expenditure occurred is highways. Mr. Deputy Speaker, in this province, where almost all of our trade relies on good transportation systems, roads are essential. Many roads that were reasonably good have not received attention and, if attention is not forthcoming, these roads will be ruined and new roads will have to be built. That is very expensive, and it is much more prudent to keep these roads under proper maintenance.

The provincial road system, especially in the constituency of Rhineland, has received very little attention during this government's regime and many of them require urgent attention. I am sure that every member can say the same thing. When is this government going to realize that, in order to keep the economy viable, a good transportation and road network is essential? Where was the Minister of Highways when this Budget was approved? This certainly is a reflection on his capability to speak for Manitobans.

Mr. Deputy Speaker, I would like to express a few concerns that I have on purple fuel, especially gasoline. The agricultural community and farmers are all experiencing quite a few losses as a result of theft of gasoline. The one deterrent that we did have was purple

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gasoline and, now that this is going to be eliminated, I can see where theft of gasoline is going to become very prominent and is going to become one of the larger expenses that the farmer is going to be faced with. So I hope that the government will be able to devise some way which will make it less easy for people to come and steal gasoline and not be detected.

At the present time with the purple gasoline — if the police find that you've been driving with purple gasoline in your car, then of course you have to pay a fine and you're sentenced. But what is going to happen once we drive with clear fuel? It is a concern out there in the farming community, in spite of the fact that they did recommend what the government is instituting.

The corporation tax increase will act as a deterrent in attracting jobs. The corporation tax and employment tax are the two most detested taxes by businessmen in Manitoba, and I know. I have paid the corporation tax, and I know how onerous and difficult it was to pay that particular tax, especially during those years when interest rates were 20 percent and higher.

Mr. Deputy Speaker, time will not permit me to go into all aspects of the Budget. I do, however, want to make some comments on Community Services and Corrections. The Minister of Community Services, unlike the Minister of Highways, has some clout with her Cabinet colleagues and has been able to receive a \$19 million increase in her expenditures.

Before I delve in any depth into this department, I want to tell the Minister that I attended the opening of a residence to house some severely handicapped and mentally retarded persons in the town of Altona yesterday. I congratulate the efforts of the Board which has taken on the responsibility of supplying the needs of the mentally handicapped in that community.

A MEMBER: Was Muriel there?

MR. A. BROWN: The Minister, unfortunately, was not there.

But not only has this community provided a workshop, residence, teaching facilities, but now they are going to look after the severely handicapped of the community, and the Board certainly is to be recommended and congratulated for their efforts.

The Board wishes me to extend their gratitude to the Minister for her assistance in this project and, at the same time, wishes me to inform the Minister that, to date, they have received no monetary assistance from her department. Maybe the Minister can check into this.

Mr. Deputy Speaker, during the last year's Estimates, I asked the Minister what the total cost was in dividing Winnipeg into six areas for the purposes of Child and Family Services. The cost at that time was some \$2 million, not including the cost of rental payments required to house the various offices in each one of the areas. The answer I received was that rent was paid by the Department of Government Services, and she had no idea what that figure was.

Mr. Deputy Speaker, I find it extremely irresponsible for the Minister to go ahead and completely disrupt the existing Children's Aid Society system, as it was at that time, a single-delivery system as in Toronto and in most large cities, and divide the Children's Aid

Society, or the Child and Family Services as it is now called, into six areas without knowing what the cost was going to be.

Before the division, we had many teams of experts operating within the system and, although the system was not perfect, by and large a good job was done with many volunteers taking part in the service. The Minister dismantled all these teams of experts and dispersed them into the various areas where they were no longer operating as teams. The Minister made the statement that we have too many experts in the field.

Mr. Deputy Speaker, she sure is in need of some of that expertise now. The happenings of recent weeks says it all. The hopeless disarray in which these areas work, caseloads are increasing and workers are threatening to take strike action because of hopeless caseloads, burnout and no sign of improvement. Why are these situations happening? Why are caseloads increasing?

One area in which caseloads are increasing is when parents place their child in temporary guardianship or sign over guardianship to Family Services. This happens when parents cannot cope with a child who either steals, is on dope, runs away repeatedly to hang around with undesirables, or refuses to attend school or for whatever reason. We used to have reform schools who did a pretty good job of looking after children such as that who are difficult to get under control. Then we had the school for boys because reform schools, that was a word which was no longer acceptable. We had a school for boys and a school for girls but now we have neither. Now we have group homes where there is no discipline, no responsibility taught. The child comes and goes at will, attends school at will, does not receive the counselling promise, receives spending allowance and clothes, but no incentive to resolve the problem.

I would like to tell the members present of a certain instance — and I brought this instance to the attention of the Minister last year and this instance still has not been resolved — this was a family who had a boy who was stealing; first of all he was stealing at home and later on he was stealing all over the community. The parents could not cope with him, so they signed him over to the Child and Family Services to become his guardians for a period of what was hoped to be three weeks where he would be receiving extensive counselling by a psychologist, by a psychiatrist, or whoever, to try to solve this particular problem. Seven months later, Mr. Deputy Speaker, that boy had only received 15 minutes of counselling. He had been shifted from foster home to foster home. The counselling that he had received had not been done by a psychiatrist or a psychologist. He had not received any professional counselling at all. The parents wanted to get this boy back into their home because absolutely nothing was happening to him and because no work was being done with him, they wanted him back home. Yet, the Child and Family Services said no, we still have not treated this boy; he is ours and you cannot have him.

There are many parents such as that, Mr. Deputy Chairman, and these parents have organized themselves into groups and they call themselves Tough Love. I attended one of their meetings and so should the Minister. This is one of the reasons why caseloads are growing because nothing is ever resolved. This is unfair to the child, to the parents and to the taxpayer who pays for it all.

Recently a case where a child was placed in a foster home and sexually abused and died as a result of this attack, shows how the entire system of placement and adoption has deteriorated. There used to be a very extensive screening process. I know, because my wife and I we adopted two children and we had to go through a very extensive screening process before we were allowed to adopt these children, in spite of the fact that they were my niece and my nephew whose parents had been killed in an automobile accident.

At that time there was follow up. The social worker came and saw us every once in a while and dropped in to say hello, to see if everything was all right. I felt very good and I felt secure about our adoptive system and about the system that we had for placement of children in foster homes but this is no longer there. No follow-up appears to be done. The Department of Corrections seems to be run — no follow-up seems to be done. Mr. Deputy Speaker, I believe this is a shame, that we have let that particular department, which was doing a reasonably good job, deteriorate to the extent that it has in this province.

The Department of Corrections seems to be run as another welfare agency. Sentences mean nothing anymore. A two-year sentence means the inmate will be out in three months. The Fine Option Program is not working too well because too many of the people who have the option of jail or fines, choose to pay a fine, but then conveniently forget to pay the fine and have to be arrested repeatedly because of failure to pay the fine. Criminals are thumbing their nose at the way the system is run. The police are kept busy arresting and re-arresting and sentence people for failure to pay their fines. All of this adds up to a tremendous cost for the taxpayer.

Mr. Deputy Speaker, the way that Corrections has proceeded leaves the government no alternative but to place Corrections under the Attorney-General's Department where it used to be and hopefully more respect for the law would be achieved as a result of this move.

Mr. Deputy Speaker, as a result of some of these happenings, both in Family Services and Corrections because caseloads are not resolved but dragged on and on, hundreds of thousands of dollars are wasted, but the greatest wrong being done is to the child who needs the attention and help and does not receive the help.

Mr. Deputy Speaker, every department of this government should investigate whether monies are spent prudently and we know that millions of dollars can be saved eliminating ways and promoting and rewarding prudent management.

Mr. Deputy Speaker, I did not want to go into every department. I know there are many people who want to speak on this particular Budget, but I did want to say that there are ways that this government can find of cutting back on the deficit and still providing the services which this province so desperately needs. We cannot continue on in the way that we are at the present time, continuously going on with a \$500 million deficit and the tremendous cost of servicing this debt which we will be encountering. The people of this province demand more accountability.

MR. DEPUTY SPEAKER: The Member for River Heights.

MRS. S. CARSTAIRS: Thank you, Mr. Deputy Speaker.

Mr. Deputy Speaker, the Budget presented to this House last Thursday evening is a Budget of betrayal. I am outraged by the betrayal of trust that this government has perpetrated on the citizens of Manitoba. Manitobans are not being told the truth, and I, as the representative of the Liberal Party in Manitoba, demand that the people be told the real facts of our economic plight.

This Budget is deceitful and in the long term, it spells disaster for this province.

MR. G. MERCIER: You should be positive, Sharon.

MRS. S. CARSTAIRS: First, let me set the record straight with respect to, and I quote, "Manitobans endorsed our initiatives over the past four years." The word-change required, Mr. Deputy Speaker, is: "tolerated" your initiatives. Let not this government forget that 59 percent of Manitoba's voters rejected your positions absolutely; 14 percent of them voted Liberal, even though they knew we couldn't form the government. However, they wanted to grab this administration by the lapels and force you to accept reality. I don't question, like some, your right to govern. I do question your right to continue with a tunnel-vision mentality which refuses to accept our economic problems and to plan for the future.

This Budget announces a deficit of \$489,400,600.00. It makes no mention of the fact that certain debt items are not included. The Provincial Auditor has stated several times that the deficit of Manfor, some \$13.5 million, should be included in the deficit yearly, in that no payments have been made since 1972. However, it is not included, nor is the \$65 million shortfall of the Manitoba Development Corporation. These two items alone bring the deficit to \$567,400,600.00.

The debt is announced at \$7.3 billion. However, currency fluctuations alone will add an additional billion, so our real debt is \$8.4 billion. If one adds another billion for Limestone for this year alone, we will be soon looking at double digit billion dollar debt.

Throughout all of this, we ask this government where is your plan? Where is your intellectual honesty? When will you tell the citizens of this province where you expect this province to be financially after two years or at the end of your mandate?

Les Manitobains s'attendent à un gouvernement qui soit fort, résolu, et qui ait à coeur les intérêts des citoyens présents et à venir. Le ministre des finances a démontré de la timidité dans son budget, et les Manitobains méritent mieux que ça.

(English translation)

The people of Manitoba expect their government to be strong and decisive, to act in the best interests of the citizens of today and tomorrow. In this Budget, we heard from a Finance Minister who is faint-hearted. The people of this province deserve better.

This government has added \$257,709,500 more to work with this year than last; nearly one-quarter of a billion more, and yet they have still racked up a deficit of over one-half a billion dollars. How dare you stand there bold-faced and speak about the strength of our economy, and place us further in debt! How dare you

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quote the Royal Bank at us, when you know full well that they have said that our economy will remain active because we are spending \$3 billion on Limestone, and that when it is completed in 1993, they have concerns about our economy. Wise financial planners would begin saving now, so that we will have the resources for a down-turn. There was little wisdom in the Budget presented last Thursday night.

If you had increased this Budget to keep pace with inflation, you could have started the downward spiral by removing some 106 million from the deficit. If you had been really courageous, and controlled expenditures, or cut costs, you could have reduced the deficit by some \$250 million. Throughout the campaign, you told us that your campaign promises added up to some \$25 million. How come you need 10 times that much to fulfill them?

Mr. Deputy Speaker, let us look carefully at the areas the Finance Minister told us would receipt help.

Agriculture — the Honourable Member for Seven Oaks must have a cruel streak to have worn cowboy boots on Budget Night. Surely he did not think \$12 million would provide much relief. He brags about a 21 percent increase. Mr. Deputy Speaker, in the 1985 Budget, agriculture accounted for some 1.6 percentage points. This year it has grown to a whopping 1.8 percentage points. The farmers will receive the magnificent amount of one-fifth of one percentage point. If they were not so desperate, they should turn their backs in scorn. However, they are in terrible need, so they will accept this meagre amount, this pittance, this insult to the backbone of our provincial economy.

In contrast, Community Services got \$19 million; Education, \$34 million; Employment and Economic Security, \$23 million; Health, \$73 million, while our farmers got \$12 million. If all the money going to these other departments was going to provide services, perhaps they could be forgiven. However, for example, the Attorney-General's administration and finance section of his part of the Budget went up 23 percent over what was estimated only one year ago.

We heard in this Budget a great deal about federal transfer payments, and the unfair treatment the provinces are receiving at the hands of the feds. My party and I will support the government's demands for a more equitable share of this country's resources. However, I am appalled at this government's treatment of its own junior governments. Mr. Deputy Speaker, the Finance Minister calls for a return to co-operative federalism. I say look to your own house first, Sir, and provide us with some co-operative provincialism.

In this Budget, Municipal Affairs is cut by some one-half million dollars, and Urban Affairs by almost 7 million. In the scheme of things, it makes federal cuts look like small potatoes. This government has pushed the burden of taxation on to their junior governments in a far more serious way than the Federal Government has to them. It reminds me of the school bully who, when defeated by one of his peers, beats up on the little kids.

This government calls for the need for tax reform, and I agree, but let's not be hypocritical about it. Don't boast about the benefits of Manitoba Properties Incorporated which is in itself a tax loophole, and then pretend to be holier than the rest of us. Be forthright instead of smug. It is not only more honest, it's smarter.

Mr. Deputy Speaker, the Finance Minister calls on us to make, and I quote, "Manitoba an even fairer place to live." How, therefore, does he explain that the Budget of the Manitoba Human Rights Commission, already six months behind in complaints, has been cut? How does he explain that the budget of Legal Aid has been cut by three-quarters of a million dollars? These programs exist to provide fairness, and yet they have been denied while others grow. Our new Minister without Portfolio has been given almost \$300,000 of funds, and yet it remains a mystery to this House as to just what he is to do.

This Budget speaks of, and I quote, "Manitobans have a right to be proud of their achievements in education, perhaps the best investment we can make for the future." I wish it could be so. Education was given a 5.1 percent increase, with no recognition given to the plight of many rural divisions who have increased their tax bills by 25 percent. Our universities, which have been losing departments, and watching others in danger of losing accreditation, were cut to below inflation at 3.8 percent. Community colleges were cut further to 3.5 percent, while fees increased by 8 percent. Youth unemployment remains at 15 percent plus. Education is the only means by which we can break this cycle, and yet this government denies our young people help. This government appears to have accepted the payment of income security, instead of helping individuals to provide their own security.

There were choices to make in this Budget, but each time a choice was made, it came down on the side of bureaucratic decision-making and the keeping of ultimate financial control in the hands of government. All farmers could have been helped through the elimination of education tax on farmland. This government would prefer farmers to come cap-in-hand for Farm Aid. Small business could have been given the opportunity to save through plans similar to RRSP's, but this government opted for small business loans, government-directed. Parents that could have been options for day care, but this government will continue to believe they can do it best. The removal of the payroll tax could have created new, permanent jobs in the private sector, but this government will continue to mastermind through the Jobs Fund.

Elimination of the sales tax on clothing and footwear of less than \$300 could have put more money into the hands of welfare recipients, pensioners, and the working poor, but this government prefers to provide handouts. Our health care system will continue to hospitalize and provide inappropriate care to those in need of personal care beds because hospitals received an 8 percent increase, but care homes met only inflation at 4 percent. Manitobans are afraid to be sick, afraid that they will have a bed in the hall, fearful of our losing specialists as we did in ophthalmology because of a lack of teaching beds.

The Honourable Member for Arthur, in commenting upon my remarks to the media in response to the Speech from the Throne, indicated I had used unparliamentary language. I will accept that criticism, however, I can assure you that my thoughts with regard to our Finance Minister were much more severe.

Mr. Deputy Speaker, the Finance Minister has presented to this House a Budget which is deceitful, and a betrayal of our citizens, now and for the future.

I cannot support a document which seeks to appease when urgency is required; a document without focus when careful planning is essential; a document which, in the last year of a mandate, might, but should not, be tolerated. However, this is a document which was delivered immediately following an election, and, as such, is both shocking and an affront to the people of this province.

We sit in this House to lead, not to follow. There was no leadership to be found from our Finance Minister in Budget '86.

MR. DEPUTY SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Thank you, Mr. Deputy Speaker.

I rise to take part in this debate on the Budget, Sir, and since I did not speak during the Throne Speech Debate, I would like to place on the record my congratulations on your appointment, Sir, and of course that of my colleague, the Member for Wolseley, on her elevation to the high Chair of Speaker, as well as to all my new colleagues in the caucus. I welcome them to our government, and I know that the contributions they are now making, both as individual MLA's and as members of the Treasury Bench, bring certainly a lot of insight, experience and dedication to the people of this province.

I want to welcome all the new members to the House from opposite benches, and it's, I guess, very nice to see some change occurring in this House, but clearly, I would have preferred that the change in terms of numbers had been a little bit greater in terms of the favouring of this side of the House, but nevertheless, Mr. Deputy Speaker, the will of Manitobans is very clear. There is a majority, a clear majority government in the Province of Manitoba, and we, in fact, as was portrayed by the Minister of Finance, are governing Manitoba with a clear sense of direction for the future.

Mr. Deputy Speaker, I want to speak about this Budget because I think from the reactions of members opposite, I guess the saying, "a picture speaks 1,000 words," — it was very clear on Budget night and thereafter, that there was, if anything, shock. There were predictions by members opposite in terms of how well the financial affairs of this province have been managed — very clearly — and especially, Sir, in terms of the support that this government has provided to rural Manitoba and particularly the farming community and still maintained the basic services that we, as Manitobans, have come to enjoy and, not only enjoy, but also believe that health care and education are a right. It is not a privilege as would have been the case in this country at the turn of the century.

Sir, the Opposition was predicting massive, massive deficits or massive taxation, one or the other — they wanted both. For days on end, we've had nothing but questions of saying, spend, spend, spend, and, Mr. Deputy Speaker, on the other side you have the likes of the Member for Morris and other aspirants to be Ministers of Finance to say, you've spent too much, including the Member for Fort Rouge, of all people, who came to this House and wanted us to put more money into agriculture, more money into health care, more money into education, and said, hang on to the

deficit, reduce the deficit and reduce your spending. Mr. Deputy Speaker, they cannot have it both ways.

I have not yet heard of any specific cut in services that they're prepared to accept. They're prepared to accept more programs, more money, whether it be for health care, whether it be for education, whether it be for the farming community, they want more programming and that's fine, Mr. Deputy Speaker, but let's just understand what they are really saying.

In the last number of weeks, when it comes to the farming community and agriculture in particular, Sir, we have heard members of the Opposition saying, why don't you bring in massive million dollar programs to assist our farming community because they are in great difficulty, because grain incomes are down and they cannot survive? Mr. Deputy Speaker, in this country it is recognized, historically, that there is a split jurisdiction in terms of how the province acts and how our central government, our national government, acts in terms of the support to agriculture and to its economy and on two fronts, Mr. Deputy Speaker, two fronts, both in the shared cost programming of health and education. We've had an attack on those services by the Federal Government and, in fact, Mr. Deputy Speaker, supported by members opposite that somehow it is fashionable and we have to cut that sharing of those programs so that everyone in this country will pay for those programs through increased taxes at the provincial level. That's the kind of position that members opposite have taken.

As well, Sir, on the farming side, here we have members opposite coming and saying, yes, you'd better bring in multimillion dollar programs, Provincial Governments, because farmers can't withstand the decrease in grain prices; they can't survive. Mr. Deputy Speaker, who, in fact, brings in the initial prices on grain? Is it the Province of Manitoba? Is it the Province of Saskatchewan or the Province of Alberta? Neither, Sir. It is the Federal Government which does set the tone in terms of what grain pricing should be, Sir.

Mr. Deputy Speaker, the Federal Government did have a choice because the asking price on grain is just that, the asking price. You can either say that we will — and you look at the records now what grain is selling at Thunder Bay and at Montreal ports — look at those numbers. They're not selling \$430 a tonne or \$160 a tonne. The asking price at the ports is \$247 a tonne for a No. 1 wheat.

MR. H. PANKRATZ: The asking, what's the selling?

HON. B. URUSKI: Mr. Deputy Speaker, that's precisely what I was saying, the asking price. Now if you want to set a trend and a signal out to the farming community that you're prepared to let them go, you lower the asking price. And then what happens? All the financial institutions, both public and private say, I'm sorry. The new numbers are now, not \$160 a tonne for wheat, they're now \$130 a tonne and we will be making our calculations on that basis.

Mr. Deputy Speaker, I've said before and I will say to my honourable friends, they should have been able to convince their colleagues in Ottawa to at least maintain initial prices at \$145 a tonne on wheat, with little or no risk to the Federal Treasury, little or no risk; and had they maintained them at where they were,

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there would have been some risk, and we have said that. But would the risk have been worth it? We are going to pay out that money anyway, but to a lesser extent, through the back door a year later, through Western Grain Stabilization — part of it, one-third farmers' money, two-thirds taxpayers' money, Mr. Deputy Speaker. We're going to pay it out.

So would it not have been a better move to have maintained initial prices where they were, to protect the farming community in terms of national income stabilization?

Well, Mr. Deputy Speaker, the members opposite in their remarks, have said — and I'll repeat it again — they wanted the provinces to come up with multimillion dollar programs, in light of what the American Farm Bill has done for their farmers. Mr. Deputy Speaker, \$21 billion of income support from Congress to the farmers of the United States, not from the State of North Dakota, not from the State of Nebraska, but from Washington, Sir.

If my honourable friends can't understand where the capital of the United States is and who provides the income support for their farmers and who, in the same parallel, should be providing income support for Canadian farmers, it is Ottawa, Sir. It is Ottawa, and historically has been and should have been the . . . Mr. Deputy Speaker, I am prepared to relinquish all my control and let it be on the record, where the Honourable Member for Arthur said, do you want to relinquish your control?

Mr. Deputy Speaker, provinces would have not gotten into this bidding game of income stabilization and treasury pitted against treasury between provinces, had it not been for successive Federal Liberal and Conservative Governments who have moved away from providing the kind of income support to the farmers of this nation that they should have. In fact, Sir, it was documented very well last year at the Ministers' Conference in St. John, Newfoundland. It was documented that although the level of funding to agriculture over the last number of years has risen fairly dramatically, it was very clear from those statistics that the reduction in spending took place at the federal level and provinces have had to come in and take up the slack.

In terms of national share of support for agriculture, the provinces over the last decade — and I don't lay it on whether it's Conservative Government there now, Liberals, we're just as guilty — in terms of saying, yes, we will have two types of policies. We will have one for Eastern Canada and we will have one for Western Canada.

It has been accentuated by the Conservatives now in Ottawa, especially on grain, Sir, that maybe some of the new members opposite from the Opposition benches don't realize that, but in fact their colleagues in Ottawa this Session or this last past Parliament, passed an act providing income stabilization with no producer contribution for wheat grown in Eastern Canada. They've done that, Sir. I wonder why. Why, if it's a good policy for Eastern Canada, why it shouldn't be a good policy for Western Canada?

I wonder whether members opposite even know that has happened or whether in fact . . . I have not heard them speak out. What I've heard them speak out on is that this government and this administration should

in fact be assisting their colleagues to lower their deficit by adding a greater deficit in the Province of Manitoba because clearly that's the implications of what they have been saying, Mr. Deputy Speaker.

(Madam Speaker is now back in the Chair.)

This government has provided leadership in the area of farm policy, in the area of support. We've put out money where our mouth is when it comes to the farm community, and it hasn't been enough. We were the first and will be the first to stand up here and say that we will not be able to deal effectively with the crisis that is out there for several thousands of Manitoba farmers.

I don't think I'm saying anything new in this House that I haven't said anywhere in the Province of Manitoba and I think I've travelled rural Manitoba over the last number of years practically — not to every community, but — (Interjection) — I'm on my second one.

The Honourable Member for Morris asked me whether my car has been wrecked. I can assure the honourable member that, in terms of the mileage, I've far exceeded the government guidelines because of the transportation, in terms of — (Interjection) — Yes, there are guidelines. My car drove over 200,000 kilometres before it was taken back in.

Madam Speaker, when I talked about leadership, I want to give the honourable members some insight as to really what they were after. They were after, in the last number of weeks, to say that the province should do more to provide operating credit to the farmers of Manitoba.

Madam Speaker, we took decisive action by providing over \$100 million of operating credit over the last three years and we will continue to do more in this area. In fact, our Budget in the last four years has more than tripled through our lending corporation and it will increase substantially more by this Budget and by these Estimates.

Madam, — people have changed chairs there — when you compare the activities of a parallel corporation, a national corporation that should be bringing leadership into Canada, we've had nothing but contraction in terms of their scope of lending to the farm community.

FCC in 1983-84 approved just under 500 loans in the Province of Manitoba. In 1984-85, they approved 188 loans; in 1985-86, just over 100 loans. That is almost a shutting down of that corporation in Manitoba, virtually shutting that corporation down.

In contrast, Madam Speaker, if my honourable friends look at the last annual report they will see our activity in the over 2,000 loans approved per year. That isn't leadership. In fact, some circles on the opposite side, and even in some of the farm organizations, want to privatize the Farm Credit Corporation. Talk about taking the Federal Government off the hook, in terms of their responsibility to the farm community of the provider of long-term credit, of the farming sector that has generally been the upper and larger sized farms, in terms of Manitoba's case. That is not leadership, Madam Speaker, and in fact instead of the provision of operating credit, they have basically walked away from that area.

In the fall of 1984, we had a new Federal Government. We met with them along with the other 10 Ministers of Agriculture across this country. There were 12

recommendations made to the Federal Government by all Ministers, not just NDP Ministers, but Conservative Ministers — and I think at that time there wasn't even a Liberal administration yet in Ontario — these were primarily Conservative administrations, the Socred administration and one NDP administration who made recommendations to the Federal Government on a number of financial areas which we had agreed to which were totally rejected.

Madam Speaker, we are now going through a set of reviews following on the Premiers' Conference, and I want to make some predictions. A year-and-a-half later, we in fact are rehashing the financial stress that our farmers are going through. I want to tell you that before the next Premiers' Conference, I venture to say, Madam Speaker, we will be at or near — and I don't think we'll be there — some of the recommendations which were made in October of 1984. Now, Madam Speaker, that is progress.

Maybe that's progress for my friends opposite and their colleagues in Ottawa. That certainly is not progress, in terms of enlightened action on behalf of the Federal Government, to agriculture and the farming community across this country.

But yet, we will see calls by members opposite saying yes, we should in fact, as Manitobans, be prepared to put in \$10 million, \$20 million, \$30 million, \$40 million in every Budget, in addition to the \$70 million that we will have this year, into agricultural spending because farmers are in financial difficulty.

MR. J. DOWNEY: I am telling you to put it in the right places.

HON. B. URUSKI: Madam Speaker, I am pleased that the Member for Arthur says, I am telling you to put it in the right places. Madam Speaker, what did they commit themselves to do in the election campaign when they sought office? Madam Speaker, what did they commit themselves? Two areas. Now let's find out how that would have helped Manitoba farmers.

They said half of the provincial levy on education tax would be taken off, about \$500 on average per farm, about that. The second one was to expand on the Young Farmer Rebate Program — right? — an interest rate subsidy, basically those two areas.

I want to ask my honourable friends opposite whether or not the farmers of Manitoba would have been in a different financial predicament had you formed the government. Absolutely not. — (Interjection) — In fact, they would have felt better. Now we hear them — they would have felt better. Madam Speaker, I am sure pensioners in this province felt better when our dear Prime Minister said that health care was a sacred trust and then tried to slash pensions for our elderly citizens. They really would have felt better — (Interjection) — he wanted to slash pensions.

MR. J. DOWNEY: Madam Speaker, I wonder if the Minister would submit to a question.

HON. B. URUSKI: Madam Speaker, yes, I will submit to a question.

MADAM SPEAKER: The Honourable Member for Arthur with a question.

MR. J. DOWNEY: Did I understand the Minister correctly, Madam Speaker, when he indicated that the removal of half the provincial levy of education taxes off the farm community would be of no help to them?

HON. B. URUSKI: Madam Speaker, I was making the analogy — (Interjection) — Madam Speaker, if the honourable gentlemen want to speak, they will have their right to speak. Maybe they don't like my remarks.

Madam Speaker, the Budget was very specific in terms of the assistance to people who are in the greatest need, the Child Related Income Support Program

A MEMBER: And all the farmers.

HON. B. URUSKI: No, Madam Speaker, it is not all the farms. Even members opposite will admit that while farmers are having a difficult time, there are a number of farmers who are prepared to ride it through with no land debt, . . .

MR. J. DOWNEY: What choice do they have?

HON. B. URUSKI: . . . no machinery debt. Their income will be contracted, Madam Speaker, but they will ride it through. Madam Speaker, the honourable member says what choices do they have. Madam Speaker, I want to tell the honourable friends, and I told them before, yes, any measure of tax relief will assist any group in society, no doubt about it.

But, Madam Speaker, the Budget Speech was very clear, and is very clear, in terms of who our priority is in terms of whether or not, in terms of handling our finances of this province, we are going to channel the limited resources that we have to the people in greatest need. It is those in the greatest financial difficulty and have families, Madam Speaker. Those will be the ones in terms of the — and will receive, Madam, anywhere from two to three times the type of support that was pledged by my honourable friends opposite during the election campaign on a per family basis of those who will be eligible — (Interjection) — yes, it is true that not everybody will get the benefit.

But, Madam Speaker, my honourable friends opposite, they want to piecemeal their approach. Their approach to tax reform is to piecemeal it to allow those who have the greatest ability to pay to have the greatest breaks. That has generally been their approach to tax reform and to the whole area of tax measures in this country.

We will bring about, Madam Speaker, municipal tax reform in this province. We have committed ourselves to it, Madam Speaker, but it will be done in a co-ordinated fashion right across-the-board so that any decisions that are made will not be made piecemeal. Any decision that will be reached, we will know the implications of the pros and cons of making that decision. That won't be done — and we've said this — for at least a year or two in terms of our mandate, but we are committed to that reform. We have said so in the past.

So, Madam Speaker, members opposite, in terms of their criticism of this Budget as not being enough, we have not yet seen anything from them that in fact would have, as an alternative, said we will be assisting the

agricultural sector and the general economy of the Province of Manitoba more. On the other hand, we should be reducing our deficit even more.

Madam Speaker, can you just imagine the commitment that the Leader of the Opposition made to spend some — how many? — \$300 million to \$400 million more in actual spending in their election campaign on social programming?

I don't know, the Member for Morris, had he been the Finance Minister, his hair I'm sure would not have been the colour that it is today, Madam Speaker. It would have been a shining grey — just like yours, Madam Speaker — in one Budget because his own leader would have driven him grey by the virtue of commitments in terms of social spending that he hoped to have garnered support from Manitobans for.

Talk about the penchant of the Member for Morris wanting to reduce the deficit in any way; in fact, even saying to Ottawa, cut those transfer payments to Manitoba, you've got to lower your deficit, and let them suffer here in Manitoba. Let Manitobans suffer.

Madam Speaker, this issue — (Interjection) — did he say that? He didn't have to say that. It was clear in what he was implying, Madam Speaker, that Manitobans should pay the costs, they have been spending too high. There has been too much spending on this whole health care and teaching our children to be better educated and this whole area of education. You know, we've gone too far in this whole area.

MR. J. DOWNEY: I heard your Minister of Finance at noon today on the radio saying he was going to implement user fees in medical selectively.

HON. E. KOSTYRA: That's not what I said at all.

HON. B. URUSKI: Madam Speaker, the Honourable Member for Arthur says he heard the Minister of Finance speaking at noon. I happen to have been driving into Winnipeg as well . . .

MR. J. DOWNEY: You were late for question period then.

HON. B. URUSKI: No, I wasn't late for question period, Madam Speaker. No, I happened to have been here at 2 o'clock in time for question period. But I did hear the Minister of Finance, and I want to tell the honourable friend that when it comes to deterrent fees imposed on the citizens of Manitoba, he was unequivocal in his opposition to that kind of approach of health care and financing.

Madam Speaker, I wish the members opposite would in fact — and I'll give them some good advice — refrain from siding with their colleagues in Ottawa on the whole question of transfer payments. I wish they would refrain, quite frankly, Madam Speaker. The Federal Conservatives committed themselves to 50-50. There should be a campaign, Madam Speaker, in this province, of all members of this House saying 50-50, no less, when it comes to health care and education. No less.

Instead, what we hear from members opposite is saying cut more. You are just playing with semantics, as the Honourable Member for Morris would say; you are just playing on the words.

Madam Speaker, we are not playing on the words when, in fact, certain Members for Parliament take into account Manitoba revenues, Manitoba income tax revenues, as part of the calculation of transfer payments and they say this is what Ottawa is giving Manitoba, Madam Speaker. That is bordering on — I will refrain from using the kind of word I would like to use, Madam Speaker — it is almost treasonous, it is — (Interjection) — in terms of using those kinds of words and those kinds of comparison.

Madam Speaker, if the word I have used — I see my House Leader shaking his head — I will in fact reflect on the word and I will say the word is too strong and I apologize to any members that I may have hurt.

Certainly their actions are clearly not becoming members of Parliament representing all regions of this country, and they should refrain from using those kinds of selective comparisons which are inaccurate, Madam Speaker; they are totally inaccurate.

I think some of our own colleagues in this House have attempted to use those kinds of comparisons, of trying to take into account Manitoba income tax figures as part of the whole transfer comparison. — (Interjection) — Totally, Madam Speaker. — (Interjection) — No, not the tax credit. I'm talking about the cost-sharing, the transfer payments from Ottawa and including Manitoba tax figures as part of the whole transfer payments. That is not right, Madam Speaker. Members should refrain from using those kinds of comparisons because they are not accurate and it doesn't behoove them although it may, in fact, Madam Speaker, allow them to score a few political Brownie points.

Madam Speaker, just remember when they were government here and when there was a Liberal government in Ottawa. Madam Speaker, there were assaults and attacks week in and week out on that Liberal administration when they were cutting back on expenditures. They have totally reversed themselves in terms of their position. I remember the former Minister of Agriculture. There wasn't a week didn't go by when he'd be firing off a press release condemning the Liberals in Ottawa for their lack of attention and their lack of support for the agricultural community, saying he was going to fight.

Madam Speaker, how quickly one's approach changes when you move from one side of the House to the other; it really changes very fast.

Madam Speaker, it is unfortunate that the Member for Turtle Mountain, who I believe — I say this without any fear of contradiction — was one of the members on that side of the House who was highly respected. I hope that the new Member for Turtle Mountain can, in fact, be able to fill, at least in some small part, the shoes that were left by his former colleague. He, at least, was very clear and fairly consistent in his approach to this whole question of cost-sharing. He would have been prepared to side with our Minister of Finance, and in fact he did, to condemn Ottawa for the cutbacks.

Madam Speaker, he would have gone and said that 50-50 is the right approach to health care and education in this country. Madam Speaker, we don't hear that from members opposite. We don't hear that.

Madam Speaker, I regret that he decided to leave public life — (Interjection) — I don't believe that he will. One of my colleagues says he'll be back. I don't

believe he will. I think he has played his cards; he fought his battle; he lost and he said that's it for me.

At least, Madam Speaker, he was very clear in his outspokenness in terms of the unfairness of the federal approach, regardless of who was there nationally.

Madam Speaker, this Budget, I want to say to my colleague, the Minister of Finance — I want to thank the Minister of Finance for the diligence and hard work in putting this Budget together. It took, no doubt, many hours, many days of preparation in terms of making sure that when you have very little in terms of maneuvering room, that you make the most of the funding that is in place and, clearly, this Budget does that.

Madam Speaker, I want to say in conclusion that if the Federal Government continues its projected move in terms of expenditures and cuts into health care and education, this Minister of Finance and this government will not have the kind of — we will be hard-pressed to be able to provide future Budgets of this magnitude. I know that it's coming because I know that the Federal Government is now — and it isn't just to Manitoba, it is right across this country — and there will be Conservative Premiers and other Conservative Ministers of Health and Education, and across-the-board who will oppose and who have already sided with our Premier to oppose those kinds of shifts in cost and those burdens will unfairly be placed on Manitobans.

If Confederation means anything, Madam Speaker, that's where the strength of a national government saying that the services, regardless of where we live in this country, shall be provided regardless of the income ability, the generating ability of that part of the province (sic) to provide those services.

That is what equalization is about; that is what equal sharing in terms of health care and education is about. That is what Confederation is all about, Madam Speaker.

Thank you.

MADAM SPEAKER: The Honourable Member for Springfield.

MR. G. ROCH: Madam Speaker, I rise today to speak on Manitoba's Budget for the fiscal year 1986-87, recognizing that while on the surface it does not seem like a bad Budget, it is pretty well a stand-pat Budget which does not do much for Manitobans, and one which assumes, unfortunately, that Manitobans are accustomed to and indeed have become conditioned to half-billion dollar deficits.

In fact, it is in the area of debt servicing that the largest increase of all occurred, an increase of roughly 29 percent.

Madam Speaker, although this government assumes that people have become conditioned to \$0.5 billion deficits, the fact is that as a recent Federal Budget, which was presented to Canadians last February, proved that Manitobans have not only recognized the seriousness of growing deficits, but also realize that something must be done about them and that they are prepared to deal with them. People are finally realizing that, if left unchecked, the burgeoning deficit will continue to eat away at larger and larger portions of a shrinking pie called "revenue".

This year alone we see that roughly one-third of all new funds spent will be used to service this province's

ever-growing debt. Is this the kind of legacy that we want to leave to our children and grandchildren? I certainly hope not. If this trend continues, less and less money will be available for essential and other programs, while more and more money will be required to pay for the interest charges at the international moneylenders.

It is ironic, indeed, that while this government professes to represent the little guy — a gross misconception if ever there was one — it is busy lining the pockets of the fat cat international financiers.

While the Minister of Finance tried to make a big "to-do" about the increase of 21 percent in agricultural spending, Madam Speaker, one must note that this is 8 percent less than an increase of 29 percent required to service the "Gnomes of Zurich" and elsewhere and represents only approximately \$1.2 million on total expenditures of almost \$3.9 billion. Therefore, although they are trying to create the impression that much is going to be done for the farm community — and it is high time after all these years that this government finally realizes that a crisis in agriculture actually does exist out there — if past performance is any indication, one can expect that 90 percent, if not more, of those truly in need will not get to see 1 cent from any of the various so-called "farm assistance programs".

Indeed, it is to be hoped that those who manage to qualify do, in fact, receive bona fide assistance so that they are able to become self-sustaining, profitable operations and not pushed so far into debt that they end up losing their farms to the government, something which has happened often in the past; a motive which, Madam Speaker, I would not put past the members opposite given the philosophy and political theories that they represent.

It is interesting to note also that in the area of job creation, although a reduced amount of money will be spent on the so-called Jobs Fund, this government has provided no incentive for the entrepreneurs, the risk takers, the investors; in other words nothing for those who spur and improve economic growth and create the real permanent jobs that this province needs. This means that unless they are willing to settle for temporary make-work projects, our young people will have to continue to look elsewhere for permanent employment.

Let us now look at an area which will greatly affect a riding such as Springfield, as well as many other rural ridings. This is the substantial cutbacks in capital expenditures for highways and transportation, almost \$8 million. That, Madam Speaker, is just simply incredible. At a time when our provincial network of roads and other infrastructures are deteriorating, more needs to be spent, not only in repairs and maintenance, but in upgrading and new construction as well.

The other day the First Minister had the nerve to say that they were putting people before asphalt. Well I say to him, who will be involved in the accidents that will occur due to the negligence and misplaced priorities of this government? People, that's who. And who will suffer from hundreds of lost jobs in the heavy construction industry? People, that's who. And who will suffer from a reduced standard of living due to higher automobile maintenance and repair expenditures? People, that's who. People before asphalt, indeed. The only place I would like to see less asphalt is in the heads of members opposite, then maybe they would

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realize what their misguided priorities are doing to this province, especially in the rural areas, but then again maybe they wouldn't, or couldn't.

Another area in which this government's cutbacks will seriously affect the people of Springfield is in the area of natural resources. Here, Madam Speaker, we see that approximately \$4 million was axed from capital expenditures. Does that mean that the Cooks Creek diversion, for which \$2.9 million has already been spent, 60 percent of it federal money, will not be completed? I wish to thank the Minister of Natural Resources for having approached me and stating that he will be looking into it. It's a courtesy that doesn't come from too many Ministers in this House.

Does this mean that the much needed Medika diversion, which is at present only a partially completed and inadequate drainage ditch — hardly the diversion originally planned and promised for the area — will never be constructed? Yes, Madam Speaker, I, as well as many others, would like to know exactly how these cutbacks will affect the quality of life for rural Manitobans. But then, Madam Speaker, what good are diversions but to prevent flooding and as recent events have proven, this government is certainly not overly concerned about areas that flood.

Then, Madam Speaker, many of these projects and proposed projects are in areas which did not necessarily return NDP members to the Legislature — and horror of horrors, is it possible that the two examples I cited before happened to be in an area of one of their precious Cabinet Ministers who was defeated? Heaven forbid. But just to be on the safe side, maybe we can just happen to find a consultant around to study this. What the heck, what's another \$55,000 amongst friends?

It is also interesting to note, Madam Speaker, that while Business Development and Tourism had a very modest increase, the Business Development portion of this department actually had a slight decrease in funding, as did once again the expenditures related to capital. Given the current need for real permanent jobs, again I must say that this is but another example of their misplaced priorities and once again demonstrates their anti-business philosophical bias.

It is also ironic that while spending on tourism will be increased slightly, the government is contemplating closing down tourist attractions and potential tourist attractions. As a specific example, I point out the fact that in all probability the Falcon Ski slope will be closed down. The reason for its closing is — officially anyway — because it lost almost \$20,000 last year. This, Madam Speaker, is the official reason for closing down a facility which not only generates tourism at a time of year when we need them even more, but serves as one of the few recreational activities and revenue producers during the winter for the residents of West Hawk Lake and Falcon Beach. So much for putting people first. Never mind that the former MLA for Springfield promised those people that the slope would remain open, but then again that particular individual was not re-elected. However, Madam Speaker, I am sure that this must be purely coincidental, or is it?

I could go on and on, Madam Speaker, with health, education, housing and indeed through virtually every department and area which this government is mismanaging, until such time that I could use the 40

minutes I am allowed to speak. Suffice it to say that my colleagues on this side of the House, those of us who represent over 55 percent of Manitobans, will pursue these and other subjects and point out further deficiencies in the Budget.

Madam Speaker, this Budget is not a vision for the future, but rather a deceptive hallucination. It is basically a non-controversial, standpat, do-nothing Budget, whose main accomplishment will be to get us further into debt and thus chipping away slowly but surely at our essential and basic programs. It is basically a socialistic Budget which, as usual, pretends to help the little guy while supposedly taxing the big guy, but which ends up actually keeping the little guy where he is, struggling and in debt, and still paying some of the highest taxes in Canada, both direct and indirect.

Therefore, Madam Speaker, I conclude by calling on this government to either shape up or ship out, for we, in the Progressive Conservative Party are ready, willing and able to govern this province in a fair and responsible fashion. Manitobans deserve no less. Thank you.

MADAM SPEAKER: I would like to remind all honourable members of our Rule 29 which says that a member addressing the House shall not read from a written previously prepared speech except in a few certain cases. — (Interjection) — I would hope that all members would take that into consideration.

The Honourable Member for Kildonan.

MR. M. DOLIN: Thank you, Madam Speaker.

It's a pleasure for me to be here to respond to what the Leader of the Liberal Party referred to as a socialist Budget by a socialist Government. I think she was saying this in an attempt to be somewhat negative and critical. I think it's something to be very proud of. One of the newspapers referred to a Budget for the ordinary guy. I think the Minister of Finance has given us a Budget for the ordinary guy.

I think one of the problems we have here though is not so specifically with the Budget, but with the functioning of the Legislature since I have been here as a new member in this Session and our ability to do the business that the people require and to be able to deal with items in the Budget to implement the programs of the government and to be able to respond to loyal Opposition criticism.

I would like to point out that what I'm talking about is that on April 19, 1986, there was a headline in the Winnipeg Free Press which was entitled, "Parasiuk cashes in on tax dodge. Minister's family trimmed \$86,000 from income tax." On May 17, 1986, in this same newspaper there was a headline, "Parasiuk partner gets Hydro contract." On May 20, 1986, the headline was, "Parasiuk resigns, seeks probe."

Who we are talking about and what has happened here, I think, is of great concern to all of us who believe in the democratic operation of Parliament.

The person referred to was the former Minister of Energy and Mines who resigned, as he said, on March 20, 1986, who had been a member of this Legislature since 1977. He was the Opposition Health critic during the Lyon era from 1977-81, and performed admirably.

He was the Minister of Energy and Mines from October, 1981, until May 20, 1986. He brought this

province hydro contracts; he has been working on potash, which I might point out are things that the previous government also was attempting to do, and to their credit, because I think hydro contracts, potash development are all for the benefit of Manitobans, if they are organized correctly and they bring in revenues.

This is what this person did. And what was his reward? He has presently resigned; he is presently under a cloud, and he is presently in a position where he is waiting for a judgment where the Sword of Damocles hangs over his head.

Let me tell you a possible news story that could have occurred, and I'm sorry to see the Leader of the Opposition is not here today — (Interjection) — excuse me, I apologize. He's obviously not within my range of vision at the moment.

On January 14, 1986, there was a news story which was not covered. There were two corporate changes made. One was in a firm called Angus School of Commerce Ltd., another one was in a firm called Jangar Holdings Ltd. I'd like to point out some history of these firms and why I think these are equivalently newsworthy.

On May 14, 1971, Gary A. Filmon of 833 Borebank St. was noted as President of Angus School of Commerce Ltd. In 1980, this same person was noted as president. The other directors were Janice Filmon and William Grimble. There were 160 common shares issued, all held in the name of Gary A. Filmon.

In 1985, there was a change — a March 31, '85 filing — there were 51 Class A common shares, the same Gary A. Filmon listed as president. The common shares were all held by Jangar Holdings, 51 common Class A shares.

On January 14, a significant date in 1986, a letter was sent: "Please be advised that as of January 14, 1986, the officers of Angus School of Commerce Ltd. are as follows: President and sole officer, Janice C. Filmon. Please put this letter on your public file for the Angus School of Commerce Ltd. Yours truly, E.W. Peever, Pitblado and Hoskins."

Who was Jangar Holdings then? On January 14, 1986, an interesting thing happened — an amendment, which can be done retroactively to three years of filing for Jangar Holdings. First I will point out the unamended.

Unamended in 1981, Jangar Holdings were Janice Claire Filmon, Peter Wintemute, and there were 60 Class A common shares issued, held in the name of Janice A. Filmon, 124.5 common shares held in the name of Gary A. Filmon.

In 1983, it was exactly the same. In 1985, it was exactly the same. The amended forms then, in 1983 — now you can amend retroactively — now show, Janice A. Filmon, 60 Class A common shares; Peter J. Wintemute, 124.5 preferred shares. Then we go to 1985, which is also amended, which shows Peter Wintemute, 124.5 shares.

I have some concerns on why I think this is newsworthy. The fact is, this was not reported. This firm, Success, Angus Business College, in 1976-77, received \$21,029 under the Public Accounts, which is public record, from the Province of Manitoba; in 1977-78, they received \$21,461 from the Province of Manitoba; in 1978-79, \$18,515.70 from the Province of Manitoba. In 1979-80, this one Mr. Gary A. Filmon, president of this corporation, being elected in October, 1979, this firm received \$41,792.91. In 1980-81,

\$35,342.69; in 1981-82, \$16,031.35; 1982-83, \$8,079.30; 1983-84, \$5,387.89; 1984-85, during the period when The Conflict of Interest Act had been proclaimed, \$7,600.00.

From the Federal Public Accounts — in 1984-85, \$334,065 under Training and Educational Service; 1983-84, Employment Insurance Program, Adult Occupational Training, \$354,312.00.

MADAM SPEAKER: Order please, order please.

The Honourable Member for La Verendrye on a point of order.

MR. H. PANKRATZ: Madam Speaker, on a point of order, I don't think he has the right to specify a name.

MR. M. DOLIN: It's in the documents, if you wish me to table them.

MR. H. PANKRATZ: I don't think you have . . .

MADAM SPEAKER: The rule in the Chamber is to refer to members by their constituency.

MR. M. DOLIN: I was referring to the name mentioned in the documents, not to the person as a member of the House, Madam Speaker.

I will explain when I finish.

MR. A. DRIEDGER: Tell us what it's for.

MR. M. DOLIN: I will. In 1982-83 . . .

MADAM SPEAKER: Order please, order please.

MR. M. DOLIN: Employment and Insurance Program, once again from the Federal Government, \$292,579; 1981-82, \$238,321.00. It's my understanding that Provincial Governments have jurisdiction over education' and all educational grants by the Federal Government must be approved by the Provincial Government.

I think the issue here is, what is the news story? Who created the news story and what happens in this House? Two members of this House, when we talk about conflict of interest, when we talk about morality, when we talk about what the newspaper does. For example, the question asks, are there more general concerns? Yes, very simply, there are more general concerns.

My concern is, does the Opposition have the time, the energy, the intelligence to grasp the issues to make legitimate criticism of the Budget, of items here, or do they just merely pick up the Free Press and get their agenda for the day? The fact is that the first week or two of this Session was dominated, and the people's business, to my concern as a member of this Legislature was not being done because of this kind of issue.

I think we do not have clarity; I think the issue that I am raising here is there is equivalent smoke and mirrors, and clouds and innuendo over both one member and another member and it could be over all of us. My point is that the agenda in this House is being set from up in the press gallery and not from the legislative floor.

The basic issue here is, who determines the agenda for this Legislature? Is it the government and the

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Opposition, or is it the Winnipeg Free Press? Does the Opposition have priorities? Do they wish to deal with those priorities?

They laid out a number of items and position papers during the election campaign, where they seemed to have legitimate concerns for the people of Manitoba. They seemed to have some idea of a program and some idea of direction. I respect that. I think we, as a government, and what has been laid out in the Budget, shows the dollars and where we consider our priorities in the kind of things we want to do.

What has happened in the first couple of weeks, to my chagrin, is that this Legislature has been dominated by somebody else's agenda from outside of this building. Do they have a right to do that? Is it mere laziness or ignorance on the part of the Opposition that allows this to happen? Does the Opposition questioners during question period merely pick up their morning paper, look and see what the Free Press has printed today, and now have their agenda for the question period? I hope not. That's what it appears.

I think one of the realities is that politicians and elected politicians have power. We also have checks on us, very simply the electorate checks on us when voting time comes. There are lobbies, there are petitioners who come to us and tell us they like or don't like what we're doing. There is the Loyal Opposition which is a check on the government. There is the press which is supposed to be a check on us as politicians. They are not supposed to be leading us; they are supposed to be checking on us to make sure that we are serving the common wheel.

Who are the press accountable to? How did they decide what gets reported? Of these two particular news stories that I have outlined, one they reported and one they did not. I find it outrageous that they would look at one issue and say this is a legitimate issue to report and the other not, because I don't know who is a good guy or who is a bad guy in either of those issues. What I do know is that there is innuendo that can be attached to both, what has been reported in the press and what has not been reported in the press. My major concern is where is the press making these judgments and who is exercising some control on them? Who is important? Who isn't important? What should the public know and what should the public not know?

I have some considerable concern about particularly the print media. If people here have read Marshall McLuhan, and I have a suspicion that some of the members opposite don't have the capacity to read Marshall McLuhan, or if they did, to understand what he is saying, is the more abstract the media, the more information is conveyed. You get less information from colour television than you do from black and white. You get less information as you go down the line. You get more information the more abstract the media, because you have to put more as a reader, or as a viewer, or as a listener into the media. You get more information from radio than you do from television, and you get more information from the print media. People have a tendency to remember what they read. They don't have a tendency to remember the content of what they have seen on television. I think this makes the situation with the Free Press somewhat a little more threatening.

I think one of the realities that even the Member for Arthur has to face is that since the Nixon era, politicians have been put in a light of somehow politicians by the mere fact of being elected for office. Before we got elected to office, we were business people, we were social workers, we were farmers. All of a sudden, the mere fact of getting elected somehow taints us with a brush of Watergate and of dishonesty and of corruption.

I don't know how many times you've heard at the doorstep but I've heard the words, "You guys are all in it for what you can get." Well, I find that not understandable, I find that disgraceful that we should be under that kind of cloud. I also find that the kind of press that we have been getting and the kind of issues that have been brought up in the Free Press does nothing to limit this, but it increases this.

What we are talking about is trial by headline. When I was about 10 years old and living in New York City, I remember there was a newspaper, "The Journal American" and I was a schoolchild in the schoolyard, and there was a dog that everyone was playing with. Somehow this dog did not have a licence. It bit a child. The headline in the next day's paper was, "Mad dog runs amuck in schoolyard." The fact is the power of the press to make something where there is nothing.

I think all of the members opposite will remember the Honourable Robert Stanfield, who has been referred to as the best Prime Minister we never had, dropping the football. I don't know how many takes it took before they got a picture of Stanfield dropping the football. I think that is disgraceful behaviour on the part of the press. I think it is their ability to mould public opinion which is being used dishonestly.

I give you another example. In the last federal election, the pictures of John Turner that were used with below lighting to make him look something like Boris Karloff or Bela Lugosi just coming out of a black and white silent film were disgraceful behaviour on the part of the press and certainly showed an extreme bias but never mentioned in a story line or the headlines.

They have the power to highlight what they want and they have the power to influence public opinion. They also have the right to have freedom but they have freedom without licence. They do not have, as far as I am concerned, the licence to disgrace people, to cast shadows over people, to use innuendo, to use hyperbole, to use terms that are coloured, for example, in this original headline: "Tax dodge, trimmed from income tax." The colourful nature of the adjectives used take the story a step beyond the reality of what the facts are in that story.

I had a personal incident which I was involved with which I would like to relate. My wife, who was the previous member for Kildonan, had a story in 1982 written about her, and I forget the specific headline but it was something of the nature, "Member collects two salaries while MLA." At that time, my wife had cancer. She was being treated with chemotherapy. Those of you who know what the situation is, it's extremely debilitating. She had a long-term disability policy provided through her school division through the Great-West Life Corporation. This policy triggers in when a member of that insurance group is too ill to teach. She had doctor's notes that said she was too ill to teach; the policy triggered in automatically. The Free Press somehow got this leaked — and I have no idea from

where — similarly to what happened recently and decided they would run with the story claiming that she was in some way making two incomes while an MLA, although one income was an insurance policy she was collecting. I went and made a personal visit to Murray Burt, the editor of the Free Press, and I told him, I said I found this reprehensible. There is no allegation here; there is no specific statement. What is the story here? His comment to me, and I quote this verbatim because I will never forget it, I think that's what I'm talking about: "Politicians are fair game." That's all of us are fair game for Murray Burt and the Free Press.

I think one of the issues that we have here is if we are all fair game, how do we defend ourselves? This is a big barrel and we are all fish. Can we defend ourselves against innuendo, against alleged violations of something or other where the something or other is never even specified? How can we ensure that a free unfettered press, in the words of Joseph Howe, operates in an unbiased manner to give information to the public, to give a fair side of information from both the Opposition and the government side in this Legislature?

Some of the things we see, which I find somewhat offensive, is you do not see signed editorials. You don't know who wrote an editorial in the Free Press. Who is responsible? Everything we say goes on the record by name and constituency. We are responsible for our statements. Where is the press responsible for theirs? We don't operate under pseudonyms. I am not going under another name in this Legislative Assembly. Fred Cleverley goes under W. A. Wilson and is trying to pawn himself off, in my understanding, as being two different people, so he can give two different opinions. I find that somewhat shady; I find that somewhat reprehensible.

There is also certain suppression of news that goes on. If you or I, as members of this House, pick up tomorrow's newspaper, you will see some situations outlined in that newspaper as to what occurred here today. There are a great many things you will not see in the newspaper. Somebody is making a judgment — what's important? Was the speech in the words of the Member for Springfield important? I might think so; the public might think so. Will you see them in the newspapers? I have great doubts. I also have great doubts that you will see my words in the paper unless somehow they decide that this guy is an upstart. How dare he stand in this Legislative Building and attack the sacred cow of the press? Because they are being unfair, they are being irresponsible. How dare he say this? We have no checks and balances. We cannot be stopped. They can say whatever they want. They have lawyers to consult to make sure they can cast aspersions on me or any member of this House without any legal obligation to see me in court. They are very careful about that.

What do we do about that? Well, my idea is that this may be something of a pipe dream. If all politicians, including the Member for Arthur and including the Member for Niakwa and including the Member for Sturgeon Creek, if we're all fair game, then why can't we make the game fair? Why can't we make the Free Press as responsible to its constituents as we are to ours. I know that's an extreme position to take, but I think if you look at it, if politicians are the fair game

of today, and after a while they make get bored with attacking politicians by innuendo or by semi-slander and semi-libel, never enough to be sued — they don't make accusations; they just throw a bunch of disconnected facts and let the public draw from the hyperbole and from the adjectives used; that kind of thing you can't defend against — if we're the targets today, what about the doctors tomorrow? What about the lawyers? What about teachers? Who is not at risk in this society from this kind of slanderous and irresponsible behaviour?

My concern is I think we are all at risk. I do not say this in a particularly partisan manner because I am as concerned about the Opposition's right to oppose loyally, to stand up on the issues and to hit us where they think our policies differ. I think that not only is that their right, that is their obligation, and I think they should meet that obligation. I've been a little concerned, as I said at the beginning of my speech, that they are taking somebody else's agenda instead of using their own. I think the Opposition has good ideas, I think they have worthwhile policies and programs; I think they should be presenting them in this House and not get caught on somebody else's bandwagon.

I think any citizen can be at risk. I would also suggest there may be some remedies to this. We have been talking about this House, and the government has proposed and will be proposing, from what I understand from the Premier, some more openness and declaration of conflicts of interest. I think I hope that the government gets the support of the Opposition because they've been claiming that this is an important thing too.

I think we as politicians must make the game fair on both sides with the press also. There should not be power in any sense, either in this Legislature or on Carlton Street, without accountability to the public for telling, as I've heard many times from the Opposition, the truth — what is the truth? — and for giving people the opportunity to say that is not the truth you have told about me or that you have told about someone else. We need to make the press accountable as we ourselves are accountable. The press should be accountable to its readers.

I would like to throw out some suggestions of things that we might consider for either legislation or resolution is some impartial body to rule on what is "fair comment." I have heard the term "fair comment" used in the courts; I've heard it used in the press. What is fair comment about somebody? If somebody is cheating on his wife and the press reports it, is it fair comment to say so? I would think the truth is fair comment; but I think to define fair comment, and then to make sure that fair comment is fair comment and not just innuendo or suggestion where there is no fact to back it, should be decided by some impartial body, not a press council set up by the press themselves, and without any power to discipline, sanction or take any other action that is required.

I think another simple thing is we are asking in this Legislature, and it has been asked in the press, that we declare the things we own so that conflict of interest. If I have a part of a corporation and the kind of thing that I have put out before, but we know what is owned, the public knows, and they know what our responsibility is, and when we step away from this, when we have decision-making power over the benefits gained by that

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corporation or that interest that we have, we have no such statement from the Free Press.

We know the Thompson organization owns the Free Press. What else does the Thompson organization own? What other interests do they have in this province? We don't know. Who is the board of directors? What are the interests of the editors? I notice Murray Burt also was involved in some little tax situation similar to the kind that he reported, but felt there was no responsibility on his part to report that situation that he himself was a part of. I notice the other newspaper felt that they could report it; however, there was no responsibility on the part of the Free Press to say, well, we did this too.

I would like to say that perhaps there should be a requirement that there be no more pseudonyms and that all editorials be signed so at least you know from whence it comes if you are being attacked in the press, be you a politician, a member of the public, a corporation, an organization, what have you, that you know who is attacking you, you can judge accordingly. Hiding behind anonymity I find is a despicable characteristic, and I find it all too common in the newspapers, particularly the Free Press.

I think, also, party allegiance should be identified. I noticed after an election, Jim Carr, who was a candidate, was noted after the election that he was a candidate for the Liberal Party. I think that's commendable. What happened to him before the election? Did he not have a party allegiance then? Are there no party allegiances in members of the media? I think they're citizens in this society; I'm sure they do. Do they not have some obligation to say from whence they come and declare those party allegiances, or at least inform the public this is where I come from and this is what I believe in? I think they do.

I also think, on television and the electronic media, you have a right to equal time. One of the problems, in a print media, you don't have a right to equal time, equal space and equal location is where a member or an individual or a corporation feels themselves attacked unjustly, and says I want to rebut or respond, what happens is it becomes the whim of the editorial board of the paper whether they allow it. If they do allow it, they will certainly not give you the page 1 red banner headline that they gave the story. They may give you a little quote "in our mistake," or on page 19, or somewhere between the Obits. and the "For Sale" notices, and, of course, they retain the right to edit any copy.

If we were going to move in this direction, and I think it's legitimate that we do, and that we certainly give it consideration, what penalties should there be for violation and who should set them? Should we fine, suspend, order to print, order equal time as we do in the electronic media? I think perhaps that is the case. I think perhaps we should do exactly that.

I, for one, am not going to spend the rest of my elected career here feeling like a fish in a barrel that can be attacked at any time without any responsibility of a person who is attacking me. I do not think any member of this House wants to be in that position. I have no problems with the cat calls and jibes of members opposite because I think that is part of the functioning of this Legislature, we are all here as part of the process, and that is part of the process. I do

get offended when I see someone outside of this Legislature without recourse within this House, without the judgment of the offices of this Legislature, being able to take pot shots at us of their own free will, their own volition, without any recourse, without any sanction, without anybody having any ability to tell them that's not fair.

I think what has to be done is we have here some reasonably awesome power. I don't like Star Chambers, I don't like trials by headlines, I don't like trial by innuendo, I don't like questions that beat around the bush attempting to tar somebody with a brush that never actually strikes them but scatters it around them and sprinkles them. I think the fact is if facts are put on the table, people deal with the facts and respond to those facts. I think we can do that in this Chamber much better than they can in the media. I think the fact is because we are responsible to each other and to the rules of this Assembly.

It is a democratic right to be able to face your accuser. In this Chamber, one is allowed, if one accuses another, to face your accuser in the appropriate body and get a fair hearing. We have that right in the courts, we have that right in society at large, except when the press is the accuser. They continue to hide behind anonymity and can accuse any one of us or anybody in society that they see fit as long as they do it without touching on the specific libel laws; as long as they can skate around those laws without making a direct accusation, they can accuse anybody of anything.

The fact is I think that they have a right to publish facts. I think we have a right to respond to those facts; the public has a right to respond to those facts. I think somewhere enshrined in legislation, and this should be perhaps negotiated with members of the media, or if they are unwilling to negotiate, legislate it, are the basic rights that we have as citizens in a society, and those are the right to face the accuser, the right to be heard, the right to call witnesses, the right to cross-examine, the right to be presumed innocent until proven guilty, the right to be able to deal with innuendo in a fair and equal manner, and to be able to confront in equal time and on an equal basis.

At this point, having said all this, I should be worried about being singled out for expressing my concerns for what I consider threats to parliamentary democracy and the rights of citizens in Manitoba. In all honesty, I am. The arrogance of the Ivory Tower on Carlton Street must be made accountable and it must be made to investigate, report, confirm and clearly state its biases in an honest and open manner.

I am concerned and, to some extent, afraid that because of having said this, they are now going to point the finger at the Honourable Member for Kildonan because I automatically, by having suggested this, make myself the next target. If that is the case, I think what this does is put us all in a position where we now bow down to the Free Press. We no longer govern this province. You do not oppose us as a government. You take orders because if you operate from fear, you operate in a manner that you would not operate and you do not go according to your own agenda, you go according to the Free Press' agenda.

The fact is, if this is going to become the case, we do not function in the public interest, we do not do the people's business. The opposition does not carry

on its attacks and its criticisms of the government based on its own plans and its own priorities and presenting its own alternatives to the people of Manitoba to give them a fair and open choice. What happens is the Free Press is now able to govern by intimidation.

I think we should be giving careful consideration because if the Budget is to be meaningful, it is an NDP Budget — it is, I am proud to say, in my understanding, a socialist Budget by socialists; it is obviously not a Budget that would have been proposed or implemented by the members opposite — that's fair. We are here in this Legislature to debate those alternatives, to scrutinize that Budget in the public interest. We are not here to be sniped at, shot at, lied about and have innuendo and mud and aspersions cast upon us by the Free Press in attempting to do that business.

I think, at some point, we must consider what action can be taken by members of this Legislature, and not by members on one side or the other side, in order to determine that fair play is given to us as to other members of the public. I think that there is no time like the present, because what has happened here and what I have pointed out in a way are facts which are public record, and what the Free Press has previously pointed out as facts which are of the public record have been distorted. What had happened to my wife previously was facts which were on the public record, but the way they were presented cast a certain pall, cast a certain light, and that did damage to this Legislature and the reputation of us all as members.

I think we must consider what we are going to do about it. Action has to be taken because these facts were on the table. I think we all stand in our places or sit in this Assembly and say what happens if I'm next, if I dare to stand up and say wait a minute, that was unfair, Free Press. You will find an anonymous editorial condemning you which will put you in a bad light with your constituents, will affect your ability not only to do your job but, very probably the intent, your ability to get re-elected.

I think that is the intent, is to make sure that they decide who they want to see re-elected and who they don't want to see re-elected. They may like the

Honourable Member for St. Norbert. They may not. They may like him today and they may not like him tomorrow. Now if the Honourable Member for St. Norbert has some concerns about this, and I suspect he would because he has a legal background, and he is the Opposition Leader of this House, he would have some concerns about exercising and co-operating with this side of the House to develop some responsibility and control on people external to this body being able to have undue influence.

I think the power of this Parliament should be paramount in doing the business of the public, and I think we have a matter of concern here in being able to do our business. You have a matter of concern in being able to do yours.

I am pleased to have had this time to comment in detail on the Budget, and I appreciate your interest and concern. I would like to say, in conclusion, this is not a matter that will go away; this is a matter that will be constantly haunting us all as members. If we do not, at some point, start giving careful and realistic consideration of how we deal with this matter, I think it will put us all in jeopardy in our abilities to be functioning politicians in a democratic society.

Thank you.

MADAM SPEAKER: The Honourable Member for Niakwa.

A MEMBER: 5:30 . . . ?

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

The hour now being 5:30, then, I am leaving the Chair and will return at 8:00 p.m.

MR. A. KOVNATS: Am I the first speaker, Madam Speaker?

MADAM SPEAKER: And the motion will stand in the name of the Honourable Member for Niakwa.

MR. A. KOVNATS: Thank you.