

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, 27 March, 1987.

Time — 10:00 a.m.

OPENING PRAYER by Madam Speaker.

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

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MADAM SPEAKER: The Honourable Minister of Education.

HON. J. STORIE: Madam Speaker, it's my privilege to table the Annual Report of the Department of Education for the year 1985-86.

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

SPEAKER'S STATEMENT

MADAM SPEAKER: Before moving to Oral Questions, I have a few words for the House.

Since the beginning of this Session, we have been assisted at the Table by Miss Mary MacDougall, who has been on loan to us from the House of Commons of Canada.

As she is returning this weekend to her duties in Ottawa, I would like to take this opportunity to express to her, on behalf of all the Members of the Legislative Assembly, our appreciation for the very professional assistance which she has provided.

Our thanks to the House of Commons for making her available to us and to extend to Miss MacDougall, on behalf of all of you, our best wishes for the future.

ORAL QUESTIONS

Business Transfer Tax - opposition to

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Thank you, Madam Speaker. My question is for the Minister of Finance.

It's my understanding that officials between his Finance Department and the federal Finance Department have had meetings from time-to-time over the past year with respect to changes in federal taxation and tax reform, those matters.

I wonder if the Minister of Finance can indicate whether or not the province has expressed or is expressing opposition to a business transfer tax being imposed by the Federal Government.

MADAM SPEAKER: The Honourable Minister of Finance.

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

There have been ongoing discussions, not only between officials of the various Departments of Finance across the country and the federal Finance Department on a variety of issues related to the reform of our tax system - personal income taxes, corporation income taxes and the proposals that the Federal Government is looking at in terms of changes to the sales tax as it exists at the federal level. Those discussions have also taken place at the ministerial level between the federal Finance Minister and the provincial Finance Ministers. The province has remained open in terms of those discussions but we have expressed concerns with respect to what might be put in place with respect to a change being made of the federal sales taxes to ensure that Manitoba and Manitobans are not impacted negatively by the imposition of such a tax change.

Budget - balanced by 1991

MR. G. FILMON: Madam Speaker, a further question to the Minister of Finance.

The Premier has indicated recently that the province could achieve a balanced Budget under his administration by 1991. Does the Minister have a forecast of the finances of the province, a plan that shows how this will be accomplished?

HON. E. KOSTYRA: The province has a plan in terms of its financial arrangements. That was the Budget that was brought down some two weeks ago now and was passed by this Legislature a few days ago which shows the government's intention in terms of looking at the financial affairs of the province. On one hand, we've been able to maintain expenditures in the priority areas of government activity of support to hospitals, universities, educational facilities, social services, and provide special assistance to our agricultural community, and at the same time raise revenues in as fair and balanced way as possible and bring about a reduction in the current level of deficit by some \$150 million.

So it's certainly our plan to continue on that course to ensure that on one hand we maintain the services, unlike some provinces that have been reducing support to hospitals and universities, and at the same time ensure there are the revenues for those services and bring about an orderly reduction in the deficit. We will continue on that path, Madam Speaker.

MR. G. FILMON: Yes, Madam Speaker, in order to accomplish that deficit reduction in the Budget that we have, the government had to increase the total tax revenues in the province by some \$369 million in that Budget. What are the proposed tax increases then that would bring us to the balanced Budget by 1991?

HON. E. KOSTYRA: As I indicated, we will continue to work as diligently as possible to ensure that we can maintain and expand services for people in the Province

of Manitoba in the most least costly and efficient way as possible. We will also look at areas of government expenditures where we can bring about a reduction in areas that are not as high a priority as other areas of government expenditures. We will ensure that we continue on the path of economic growth in our province that is leading the nation to ensure that we have the necessary resources to maintain those services and bring about a reduction in our deficit.

The Leader of the Opposition knows full well that any budgetary measures that will be contemplated or put in effect in the next Budget is something that will be subject for deliberations at that time. I can tell the member though, that we will not follow the path of his colleagues in the Province of Alberta, where they increased taxes and revenues at a rate far higher than anything on any basis, either actual percentage or per capita basis, and at the same time where they put more of the pain onto other institutions, like hospitals and education facilities, where they cut back services at the same time that they increased taxes.

I can assure the member opposite that we will not do that in the Province of Manitoba.

Sugar beet industry - tripartite agreement-

MADAM SPEAKER: The Honourable Member for Virden.

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

Because of the economic crisis in agriculture, Manitoba farmers definitely need crop diversification. Sugar beets fit very well into that plan for Manitoba farmers. When the Minister of Agriculture decided not to sign the tripartite agreement, he put sugar beet growers in a position where they cannot afford to grow a crop in 1987.

This will also mean that the sugar beet plant will close eventually in this province, Madam Speaker. I would like to ask the Minister, did he calculate how many jobs and how much revenue will be lost in the Province of Manitoba because of this ill-fated decision?

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, it appears that the Honourable Member for Virden continues on the course of misinforming Manitobans.

Madam Speaker, the honourable member in the speech on the Budget indicated that Manitoba farmers were going to be paying \$100 more by increased fees in the Department of Agriculture. Madam Speaker, totally inaccurate when in fact the increases in fees are for the sale of drugs and semen, which farmers buy. In fact, by our own calculations, Manitoba farmers on last year's purchases of \$5 million of drugs saved over \$2 million, Madam Speaker. He's about 200 percent out on his calculations. He is also equally out on the question of sugar beets, Madam Speaker.

Madam Speaker, tripartite means that three parties voluntarily agree to sign an agreement. Madam Speaker, when one of those three parties says, take it or leave it, that is not tripartite. Madam Speaker, that is unilateral

transferring of responsibility and cost from Ottawa to Manitoba, and those members continue to defend their brothers in Ottawa, and we will not stand for that.

MR. G. FINDLAY: It is quite obvious that the Minister of Agriculture does not care for the beet growers of this province. The Province of Alberta has prepared to sign that agreement to protect their sugar beet growers. Will this Minister reconsider his ill-fated decision and act on behalf of the sugar beet growers of Manitoba and sign the tripartite agreement?

HON. B. URUSKI: Madam Speaker, the honourable member fails to want to acknowledge that the Federal Government, in 1985, provided this Government of Manitoba a statement on two fronts: that there would be a national sugar sweetener policy in the crop year 1985; and that there would be no further funds required from the Manitoba Government to support the sugar beet industry.

Madam Speaker, let's understand what is happening in the sugar beet industry. Historically, the sugar beet industry in this country was supported through the Diefenbaker Agricultural Stabilization Act, 100 percent by the taxpayers of this country. Madam Speaker, what is now happening is that it was paid for 100 percent by Ottawa. Now, Madam Speaker, they want the sugar beet industry to be supported two-thirds by the Province of Manitoba, one-third by the producers and one-third by the Government of Manitoba. Madam Speaker, what kind of fairness is the honourable member talking about in terms of the sugar beet growers and the workers in this province? Madam Speaker, what he should be demanding is his colleagues in Ottawa continue their historical relations

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

MR. G. FINDLAY: Madam Speaker, in the interests of looking after the sugar beet growers of Manitoba, will the Minister tell the House whether he, personally, or any of his staff was present at meetings in Toronto in late '85, and Winnipeg, early '86, where the tripartite agreement was discussed and the planning was laid?

HON. B. URUSKI: Madam Speaker, we have put forward a proposal to the Federal Government that we should not have - and I say we should not have - based on the agreement that we've had.

But we believe that the jobs in Manitoba, the sugar beet growers and the workers in Manitoba, need long-term support, and we have committed ourselves again to a support in excess of \$3 million over 10 years, Madam Speaker; not what my honourable friends want, is a forced

A MEMBER: The question was specific.

HON. B. URUSKI: Madam Speaker, I'm being very specific because the Honourable Member for Virden alleges that there is no funding, no support to the sugar beet growers in this province by this government.

Madam Speaker, for the second time, again, we are prepared to put money up, but we will not be pressured into carrying the off-loading of the Federal Government.

MADAM SPEAKER: Order please.

The Honourable Member for Virden with a final supplementary.

MR. G. MERCIER: A point of order, Madam Speaker.

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

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

I rise on a point of order with respect to a matter that the Government House Leader raised a few days ago, Madam Speaker.

We, on this side of the House, for the record, Madam Speaker, are trying to ask members of the government very simple, direct, specific questions which again the Minister of Agriculture has ignored and has not answered and has avoided answering the very specific question. This, I simply want to say for the record, leads to the frustration which many members of the Opposition feel.

I say to the Government House Leader, if he wishes to improve the decorum of the House, which we would like to do, I say to him, request your Ministers to answer the questions.

SPEAKER'S RULING

MADAM SPEAKER: Order please.

The honourable member does not have a point of order. There is no way either the Opposition or myself can dictate the content of answers that Ministers give to questions.

Keystone Agricultural Producers - check-off legislation

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

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

Keystone Agricultural Producers consists of 4,650 members. They have requested the Minister of Agriculture to introduce check-off legislation to fund their organization.

What decision has he made on this request?

HON. B. URUSKI: Madam Speaker, we are still in discussions with not only Keystone Agricultural Producers. There are a number of other agricultural producer groups in this province who have made submissions to this government.

A final decision on whatever course of action, whether there be legislation or no legislation, we will be announcing that in due course, Madam Speaker.

Awasis Agency - investigation of

MADAM SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: Thank you, Madam Speaker. I have some questions for the Minister of Community Services.

She has indicated in the House that she is investigating the Awasis Agency with respect to the

incident that came to public attention last week with respect to a 14-year-old girl.

I would ask her, in her investigation, would she determine the number of cases involving child abuse or neglect which have not been reported, even though they contravened provincial guidelines, and would she investigate the circumstances as to why that has not occurred and at whose direction?

MADAM SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Madam Speaker, the investigation is with regard to the handling of the particular case, but I do take the question raised by the member opposite seriously and will take it as notice, Madam Speaker.

MR. G. MERCIER: Madam Speaker, I'm asking the Minister that the investigation be expanded to include those types of circumstances in investigating same.

I'd also like it if she would investigate the total administrative procedures of the Awasis Agency, and in particular the refusal of the Awasis Agency to follow Revenue Canada directives with respect to source deductions in regard to income tax, the huge amount of legal fees that have been incurred with respect to contravention of labour legislation, and the settlements which have resulted from those.

HON. M. SMITH: I'll take those questions as notice, Madam Speaker.

MR. G. MERCIER: Madam Speaker, a final question in this investigation.

I would ask her if she would inform the House, determine whether or not the Awasis Agency has been investigated by the Canada Human Rights Commission and/or the Manitoba Human Rights Commission, with respect to allegations of discrimination, and whether the report which will be conducted by her department will be made public and will be tabled in the Legislature.

HON. M. SMITH: Madam Speaker, I've taken note of the concerns. I will peruse Hansard, to be sure that I have them accurately identified and will take the question as notice.

Cormorant Town Council - removal of powers

MADAM SPEAKER: The Honourable Member for River Heights.

MRS. S. CARSTAIRS: Thank you, Madam Speaker. My question is to the Acting Minister of Northern Affairs.

Madam Speaker, in question period on March 2, I asked the Minister of Northern Affairs why the government had removed the self-governing powers of the Town Council of Cormorant, a Native town council, and when those powers would be restored. The Minister has yet to provide that information to this House.

Would the Acting Minister please tell the House why Cormorant, a Native town council lost its self-governing authority and when it will be restored?

MADAM SPEAKER: The Honourable Minister of Government Services.

HON. H. HARAPIAK: Madam Speaker, at the time that the decision was made to remove that authority from the community, there were some difficulties in the community with the operations of Northern Affairs, and at this time there has been an investigation carried on. There has been an agreement reached with the community, but there is a certain amount of training that will be required before the full authority is restored.

The community is at this time in the process of taking that training and once that training is completed, then the full authority of the community council will be restored.

Native communities - self-government

MRS. S. CARSTAIRS: Madam Speaker, a new question to the Deputy Premier.

When Ministers of her government, and especially the Premier, go to Ottawa and find it very easy to talk about the importance of self-government, why then do these same governing authorities deny self-government to community councils in the Town of Cormorant, and therefore in the Province of Manitoba?

I would like to ask the Deputy Premier how this government can talk about the principle of self-government on the one hand, and then refuse to put it into practice here in Manitoba?

HON. H. HARAPIAK: Madam Speaker, I don't think that this government needs to apologize to anyone for the efforts that we have made and the direction that we have moved in, to move these communities towards self-government. I think if the Member for River Heights would check the record - if the Federal Government moved in the direction that we moved in as a Provincial Government, the Native communities would have self-government at this time.

MRS. S. CARSTAIRS: A supplementary to the Deputy Premier.

What specific actions does her government, and the government of which she's the Deputy Premier, intend to take this year to improve the lot of the Native community of Manitoba?

MADAM SPEAKER: The Honourable Minister of Government Services, briefly.

HON. H. HARAPIAK: Madam Speaker, we are continuing to work in the direction of giving the people of the northern communities more and more control over their own destinies. We are moving in the area of education. We have set up the community education boards where they are having more and more say over their destiny in the education field. We are giving them more and more authority in the operations of the community councils; and more and more, we are setting up housing authorities where the people will have more authority over their own destiny in that area as well.

So we're moving in a direction of giving the people more control over their own destiny. I think that's a

direction that they have asked for, and in the meetings we've had in the community councils, they are pleased with the cooperation that has been going on with the Department of Northern Affairs. If that direction can be carried on from the Federal Government, then surely there will be an historic moment in all of Canada where the people can make decisions which are affecting the people of their communities.

Remand Centre - understaffing

MADAM SPEAKER: The Honourable Member for Rhineland.

MR. A. BROWN: Thank you, Madam Speaker. My question is to the Minister of Community Services and Corrections.

The Free Press this morning carried an article stating that guards threatened to walk away from the Remand Centre because of the dangerous situation which has been created because of overcrowding accompanied by serious understaffing.

This has been a recurring problem, Madam Speaker, and my question to the Minister is whether she has done anything at all to help correct the situation.

MADAM SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Madam Speaker, we are experiencing pressure at the Remand Centre. We have an interim solution with some more staffing applied to the centre and we are negotiating actively for a mutually acceptable solution.

MR. A. BROWN: When people have to be housed in the gym, there is quite a number of extra staffing needed to be put into a situation such as that in order to assure the safety of the guards.

Can the Minister tell me how many more guards she is contemplating on hiring?

HON. M. SMITH: Madam Speaker, we are actively negotiating with them. We have agreed to raise the minimum level and then put in additional where the numbers of persons in the Remand require it.

Remand Centre - construction of new facility

MR. A. BROWN: The Remand Centre is the No. 1 problem in Corrections. Where in the Minister's list of priorities is the construction of the new facility she announced two years ago?

HON. M. SMITH: Well, Madam Speaker, I'm always amazed when the Opposition arise and say, "spend more money," and then they talk about reduction of taxes. Madam Speaker, the final design activities for the new Remand Centre are under way this year. They do not actually appear in my Budget but in the Government Services side and Jobs Fund side, but the final design is being completed this year.

Workers Compensation Board - Annual Report

MADAM SPEAKER: The Honourable Member for Niakwa.

MR. A. KOVNATS: Thank you, Madam Speaker. I would direct my question to the Honourable Minister responsible for Workers Compensation.

In view of the fact that the Minister has stated that he would be releasing the report of the Workers Compensation next Tuesday, March 31, and in view of the fact that the House will not be sitting next week on Tuesday, March 31, will the Honourable Minister table the report of the Workers Compensation Board today?

MADAM SPEAKER: The Honourable Minister of Government Services.

HON. H. HARAPIAK: Madam Speaker, as the practice has been followed in the past, as soon as the report is made available to the Minister, it is tabled. It is at this time not available to the Minister.

Workers Compensation Board - amount of deficit

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

Can the Honourable Minister advise whether he knows the size of the deficit of the Workers Compensation?

HON. H. HARAPIAK: Madam Speaker, the report has not been delivered to me at this time, so when the report is made available to me, then I'll know the size of the deficit?

MR. A. KOVNATS: Madam Speaker, I would assume from the answer that the Minister is not aware of the size of the deficit of the Workers Compensation Board because that is what the Minister has stated. But if he is aware, would he share the amount of the deficit with the people of the Province of Manitoba today?

HON. H. HARAPIAK: Madam Speaker, I'm sure that the member opposite, the Member for Niakwa, is aware of all the things that have been going on in the field of Workers Compensation.

Since we have formed the government, we have been working on some of the reports that have been brought forward by members of the Opposition and, in fairness to them, they weren't in a position to act on them because the people of Manitoba chose to send a new government to this House to act on them.

We are working on some of those recommendations that have been put forward by the report and that has been having an effect on the cost of compensation in Manitoba, but I will continue to follow the precedent established before. When the report is tabled in the House, at that time it will be known what the deficit of the Workers Compensation Board is.

MR. A. KOVNATS: A final supplementary.

Can the Honourable Minister advise whether the deficit for the Workers Compensation Board will be in excess of \$60 million?

HON. H. HARAPIAK: Madam Speaker, taking into consideration what has happened by people speculating and putting out one figure one day and not having the figure right in front of them, I will follow the custom that has been practised in this House in previous years. When the report is tabled, that's when the people will know what the deficit is.

MADAM SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Madam Speaker. My question is for the Minister responsible for the Workers Compensation Board.

In view of the fact that he's identified there is a great deal of confusion out there as to the size of the deficit of the Workers Compensation Board; and secondly, in view of the fact that that report is due in some three days time - and this is the Minister responsible, he knows the size of the deficit - will he put that speculation to rest and simply share with the Assembly and the people of Manitoba this morning the size of the debt in the Workers Compensation Board, which he knows?

MADAM SPEAKER: The Honourable Minister responsible for Workers Compensation.

HON. H. HARAPIAK: Madam Speaker, as I told the Member for Niakwa, the copy of the Workers Compensation Board has not been delivered to me at this time.

When the report is in my hands, I will follow the previous practice of this House and I will table the report in the House, and at that time the members will know what the level of deficit is.

Brandon General Hospital - closure of beds

MR. D. ORCHARD: Madam Speaker, my question is for the Minister of Health.

Brandon General Hospital, last year, to meet government imposed funding, cut some 31 active treatment beds from Brandon General Hospital.

Madam Speaker, to meet the tax increases imposed by the Budget that was just brought down of some \$200,000 minimum of additional costs to Brandon General Hospital, they are now contemplating the closing of 49 active treatment beds from the period of time of June 1 to September 30. Is this now the new government policy of health delivery in Manitoba, to cut back active treatment beds in response to lowered funding and increased taxation by this government?

MADAM SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Madam Speaker, of course, the policy of the government would be fully discussed during the Estimates.

Let me make a correction though. When we're talking about lower funding, reducing funding, I hardly think that \$200 million is a reduction in funding. Can anybody in his right mind say that an added \$200 million is a reduction? That's what we'll ask you to approve.

As far as the Brandon Hospital last year, talk about a deficit, a deficit that they had, and this year the discussion that they must discuss and present any proposal to the Commission, as far as I was concerned as of yesterday afternoon, that hadn't been done.

Hospitals - government policy re layoffs due to bed closure

MR. D. ORCHARD: Madam Speaker, a supplementary question to the Minister of Health.

In closing active treatment beds in the hospitals, which is now being contemplated not only by Brandon General Hospital, but by Health Sciences Centre and other hospitals in the City of Winnipeg, is it the still enforced government policy that when beds are cut, or budget constraints are met, that no staff be laid off?

HON. L. DESJARDINS: The policies on that, as we had last year, have not been changed at all. The situation that my honourable friend is still talking about, cuts, and there have been not cuts - there's been an increase. I wonder if he understands that, an increase of \$200 million, so that's hardly great.

Yes, there will be some changes; there will be some changes in there because we will act responsibly and we will look at every possible means to deinstitutionalize, but only when we have other programs and other services in place. That will improve the standard of health care in this province and that will be working with a viable plan for the people of Manitoba, who, as we are reminded so many times, have to pay for the ever increasing cost. Also, the only way to do that is to either cut all the other programs of all the other departments; and if we weren't going to stay on schedule with what my honourable friend said, not to bring in any deficit by a certain year, and if I spent what I'm spending now in the department, what I need now, there would be a .5 percent increase for all the other departments together.

Credit Union Stabilization Fund - renewal of agreement

MADAM SPEAKER: The Honourable Member for La Verendrye.

MR. H. PANKRATZ: Thank you, Madam Speaker. My question is to the Minister of Cooperative Development.

The Credit Union Stabilization Fund is realizing the interest from \$29.5 million to date. This agreement is going to expire, I believe in July of this year. Will this government renew this agreement?

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

HON. J. COWAN: Madam Speaker, the question the Member for La Verendrye is addressing is one which is presently before the government. As he indicated, the agreement does expire in July of this year - it is a five-year agreement - and both the credit union system and the caisse populaire system have approached the government to ask them to discuss how it might be,

that that agreement could be continued in some form or another.

We have entered into discussions with them that are presently ongoing. We believe that the present health of the system, which is very clearly displayed by their record levels of growth and assets in both systems, is a very productive way of beginning the discussions, a discussion of the health and the growth of the system over the past little while; but there are concerns that they want to bring to our attention and we're certainly prepared to discuss that with them.

No definitive decision has been made as to what options would be discussed in detail or what options might be agreed to in the end.

Credit Union Stabilization Fund - repayment of interest

MR. H. PANKRATZ: To the same Minister.

During the past five years, I believe the Stabilization Fund has realized in the neighbourhood of \$17 million due to the interest.

Will that be required to be repaid by the Credit Union Stabilization Board?

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

HON. J. COWAN: The agreement which was formulated in 1982 set out the provisions for the paying of the interest and in respect to what might be required to be repaid. There were no repayment provisions for the interest that has been paid out to date, and it would not be appropriate at this time to alter that agreement which is in effect till July of this year.

Credit Union Stabilization Fund - amount requested

MR. H. PANKRATZ: What is the amount that the Credit Union Stabilization Board is requesting in the new agreement?

HON. J. COWAN: Madam Speaker, just discussions are ongoing at present. As you can appreciate, and all members of this House can well appreciate, those discussions are sensitive and should not be discussed publicly until we have had an opportunity to meet with the organizations in order to develop an agreement which we feel would be appropriate. So I would not be at liberty at this time to give the details of what any party has suggested as a multitude of options that could be carried forward as a part of the agreement that is presently expiring.

It may well be, in fact, Madam Speaker, that there is no continuation of the agreement. It may well be, in fact, that there is a continuation of the agreement on the basis of the existing agreement with some modification. Those discussions are ongoing, and until there's been an opportunity to discuss those matters directly with the caisse populaire system and the credit union system, I believe it would be inappropriate to discuss specifics in the Legislature.

However, I would be more than pleased to sit down with the Member for La Verendrye and go over some of the specific details as to where the discussions are at present, privately.

Credit Union Stabilization Fund - tabling of credit unions and amounts

MADAM SPEAKER: The Honourable Member for La Verendrye with a final supplementary.

MR. H. PANKRATZ: Yes, thank you, Madam Speaker, a final supplementary.

Would the Minister be willing to table in this House all of those credit unions that have received funding from this Credit Union Stabilization Fund and also the amount?

HON. J. COWAN: We have had discussions during my estimates in respect to the amount of funding which has been paid out under the agreement. What I would like to do is sit down with the Member for La Verendrye within the next couple of days and clarify exactly what information it is he would like tabled, and then I feel I'd be more prepared to answer the question directly.

Some of the information can be tabled, some of the information - and I'm certain he will agree after we go through the information - is a matter of the actual operations of the credit unions and caisse populaires, which are autonomous bodies, and that material is tabled through their annual report. So it may be a matter of providing it through the annual reports.

But I'd like the opportunity to sit down with the Member for La Verendrye and discuss exactly what information he requires and then perhaps we can address this issue in the House at that time.

Flood conditions update

MADAM SPEAKER: The Honourable Minister of Natural Resources.

HON. L. HARAPIAK: Madam Speaker, in responding to a question yesterday from the Member for Emerson with respect to flood forecasting, I agreed to contact the Flood Forecasting Centre to provide some additional information.

I was responding at the time on the basis of the report that I had, which was dated March 19, and I'm advised in my contact that that report is still valid.

But I can provide some additional information which would be of interest to the members, that the peak stages along the Red River will likely be similar to those experienced in the spring of 1986 when there was relatively little flooding in the Souris River basin. There is a projection that the stages will be somewhat higher than they were in the spring of '86, but again there, relatively little flooding is expected.

In the case of the Assiniboine River watershed, the runoff is not yet at a stage where there would be any need for concern.

I want to point out, as members I'm sure are aware, that these are forecasts which are very much tied to conditions of weather which we are not able to control, but we will keep the people of Manitoba updated on this matter.

Education Resources Fund - availability of

MADAM SPEAKER: The Honourable Member for Fort Garry,

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

On December 5, the Minister made an announcement of the new Educational Resource Fund that would be available to the schools in 1987.

My question to the Minister: Is that fund going to be available to the school divisions in this year?

MADAM SPEAKER: The Honourable Minister of Education.

HON. J. STORIE: Yes, Madam Speaker, the fund will be available based on the conditions that were announced at the time. It's available in this fiscal year.

Education Resources Fund - criteria for availability

MR. C. BIRT: Madam Speaker, a further question to the Minister of Education.

When the Minister announced this particular fund, it was only available to those school divisions where there was no increase in salaries given to the teachers.

Is that still the criteria in which it will be available to the school boards?

HON. J. STORIE: Madam Speaker, the terms that were outlined were very clear. If school boards and teachers could negotiate on non-salary items and, in effect, have no increase on scale in 1987, they would be eligible for a per student, per capita funding from the Education Resources Fund.

MR. C. BIRT: Madam Speaker, when the Minister made the announcement, I believe he set the figure of some \$5 million in this fund.

To make it available to the particular school divisions, will the Minister be introducing either amendments to The Department of Education Act or The Arbitration Act so that when disputes of new income to teachers go to arbitration, that the Arbitration Board will be able to consider this and impose a zero increase so that the money can flow through to the school divisions?

HON. J. STORIE: Madam Speaker, the Member for Fort Garry may want to impose a zero percent increase on teachers; that was not my intention, nor was it what I had announced.

I indicated that if they could negotiate that - in other words, encourage them to negotiate on non-salary issues - then they would have access to the fund, the purpose being, Madam Speaker, to control the long-term costs while at the same time offering teachers an opportunity to benefit through non-salary items and the other aspects of negotiations that go on in each of the 54 divisions in the province.

Madam Speaker, I will not be making any amendments as suggested by the Member for Fort Garry.

MADAM SPEAKER: The time for Oral Questions has expired.

HOUSE BUSINESS

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Yes, Madam Speaker, first, on a matter of House Business, I want to indicate that I appreciate the constructive comments of the Opposition House Leader on some of the problems with question period earlier today.

I think we both believe, I think all members of this House believe, that there are improvements in how question period is conducted that can be made by all members of the House from time to time. We both agree that there are positive changes and reforms, I believe, that should be considered and discussed with the objective of a question period that better serves the needs of all members and, more importantly, better serves the public in respect to the asking of questions and the provision of answers.

Toward that end, the Opposition House Leader and I have agreed today - and I thank him for bringing this matter forward and for his cooperation - that we should cooperatively sit down as House Leaders and discuss options for positive change and productive change to the question period. We will be shortly asking you, in your good position, for assistance in arranging a meeting so that we can begin to undertake those discussions.

I sincerely thank the Opposition House Leader for encouraging this sort of dialogue that I think will result in a more productive question period for everyone. I've also agreed that I will attempt to keep my answers somewhat shorter.

Madam Speaker, we had also agreed that the Standing Committee on Municipal Affairs would meet on Tuesday evening, April 7, to discuss bills referred to it and, if necessary, on the evening of April 8 to discuss bills referred to it, at least I believe that's the agreement that was reached. You can clarify that.

Madam Speaker, I move, seconded by the Minister of Agriculture that Bill No. 2, The Official Time Act, be now read a second time and passed. My apologies, what I should have done is called for Bill No. 2 to be brought forward under Orders of the Day.

INTRODUCTION OF GUESTS

MADAM SPEAKER: Before doing that may I direct the attention of honourable members to the Speaker's gallery where we have visiting with us His Excellency, the Ambassador of the Netherlands and Mrs. Breman, the Consul General of the Netherlands and the Consul General of the Netherlands for Manitoba.

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

ORDERS OF THE DAY

ADJOURNED DEBATE ON SECOND READING

BILL NO. 2 - THE OFFICIAL TIME ACT

MADAM SPEAKER: Bill No. 2, standing in the name of the Honourable Member for Arthur.

The Honourable Opposition House Leader.

MR. G. MERCIER: Madam Speaker, the Member for Arthur has the bill standing in his name but I wish to indicate to the House that we are prepared to allow the bill to proceed.

MADAM SPEAKER: The Honourable Minister of Municipal Affairs.

HON. J. BUCKLASCHUK: Thank you, Madam Speaker.

Just a word of appreciation for the cooperation from the Opposition in getting this bill passed at Second Reading and hopefully with the passage of the bill, Third Reading, then Manitobans will be in synchronization with the rest of Canada in terms of daylight saving time.

Thank you.

QUESTION put, MOTION carried.

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, in order to move the bill through the next stage of Committee of the Whole, I would seek unanimous consent of the House to allow Bill No. 2 to be advanced two or more stages in one day according to Rule 87(2) so that we can then move into Committee of the Whole.

MADAM SPEAKER: Order, order please.

Does the Honourable Government House Leader have leave? (Agreed)

The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, I move, seconded by the Minister of Labour, that Madam Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to continue to consider and report of Bill No. 2, An Act to amend The Official Time Act.

MOTION presented and carried and the House resolved itself into a Committee of the Whole to continue to consider and report of Bill No. 2 with the Honourable Member for Burrows in the Chair.

COMMITTEE OF THE WHOLE

MR. CHAIRMAN, C. Santos: Committee of the Whole, please come to order to consider Bill No. 2, An Act to amend The Official Time Act.

Does the Honourable Minister of Municipal Affairs have any comments to make?

Does the Opposition have anything to say? Will the committee consider the bill as a whole or page-by-page?

Bill considered as a whole. (Agreed)

Committee rise.

Call in the Speaker.

IN SESSION

The Chairman reported upon the committee's deliberations to Madam Speaker and requested leave to sit again.

MADAM SPEAKER: The Honourable Member for Burrows.

MR. C. SANTOS: Madam Speaker, I move, seconded by the Honourable Member for Inkster, that the report of the committee be received.

MOTION presented and carried.

HON. J. COWAN: It is necessary one more time to seek unanimous consent to allow the bill to be advanced two or more stages in one day under Rule 87(2) for Third Reading, so I seek that unanimous consent at this time.

MADAM SPEAKER: Does the Honourable Minister have unanimous consent? (Agreed)

THIRD READING

BILL NO. 2 - THE OFFICIAL TIME ACT

BILL NO. 2, was read a third time and passed.

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: Thank you, Madam Speaker. I move, seconded by the Minister of Labour, that Madam Speaker do now leave the Chair and the House resolve itself into Committee of the Whole to continue to consider and report on Bill No. 9, The Interim Appropriation Act, 1987 for Third Reading.

MOTION presented and carried and the House resolved itself into a Committee of the Whole to continue to consider and report on Bill No. 9 with the Honourable Member for Burrows in the Chair.

COMMITTEE OF THE WHOLE

BILL NO. 9 - THE INTERIM APPROPRIATION ACT, 1987

MR. CHAIRMAN: Please come to order to consider Bill No. 9, the Interim Supply bill.

Does the Minister of Finance have any introductory statement?

The Opposition critic, the Member for Morris.

MR. C. MANNES: We have a number of speakers so I won't be too long. Although the Minister of Energy and Mines sort of taunted me to continue the debate of yesterday, in a sense when he flashed a part of an editorial across the Chamber floor, I'll try to withstand that taunt and try to respond specifically to the Minister of Finance.

Let me say three things with respect to the Budget and with respect to Bill No. 9. Our party believes that the Budget that was passed represents such a serious financial blow and taxation grab on the taxpayers of this province that individually - when I say individually, members of this side are going to be watching every business, every employer within this province and within our constituencies, Mr. Chairman.

We have already had many cases of people phoning us and telling us that they are leaving this province, and I know this is a threat, this a threat made by employers in the past. They're comments that we have brought forward to this Chamber before.

But, Mr. Chairman, I say to you and I say to the Minister of Finance, in spite of the fact that he will claim that taxation provisions in place in jurisdictions to the west are now becoming onerous in his viewpoint. Still in comparative terms, there is no western province, indeed there is virtually no province within Canada that has a taxation regime in place comparable to Manitoba.

A MEMBER: Come on.

MR. C. MANNES: None, absolutely none, Mr. Chairman.

It's in that end and the impact it has on business that we will be highlighting every opportunity we have to the people of Manitoba as to what businesses within this province are either reducing their work staff or indeed are closing down completely. I dare say, Mr. Chairman, to add to that, in almost every case, we can identify as the cause being either an increase in payroll tax or an increase now in net income applied to a sole proprietor, that we will bring forward that charge and we will lay it at the feet of this government.

Mr. Chairman, my leader this morning, in asking questions of the Minister of Finance, served notice, I believe, to the government that we will continue to press the Minister of Finance, indeed the Premier, to lay before the people of Manitoba the plan, in effect, that allows the Premier to publicly state that he believes this government in place can balance the Budget by 1991. We will use every weapon at our disposal, Mr. Chairman, to force the Minister of Finance to come forward with a plan, to show us specifically what's in place.

So I say to him, and I'll ask him the question: If he can tell me firstly why he denied or totally disregarded the recommendation brought forward by Michael Decter in his report, I dare say his comprehensive report on taxation and indeed on government expenditure, that he did for this government?

Mr. Chairman, the Minister of Finance may also want to tell us to what degree the Province of Manitoba is the guarantor of the debts of the Workers Compensation Board. We know, Mr. Chairman, that once the Annual Report is laid before the members of this House, there will be a debt that board has, there will be an accumulated debt of well over \$60 million, it may be well over \$70 million, and it may be over \$80 million.

A MEMBER: So?

MR. C. MANNES: Well, the former Minister of the Workers Compensation says, "So?" It's just money, right, Mr. Chairman? It's just money.

A MEMBER: What do you want to about it?

MR. C. MANNES: And he says, "What do you want to do about it?" Mr. Chairman, what I want to do about it is I want the Minister of Finance to tell me, first of all, whether all the taxpayers of the province have

guaranteed that debt; and secondly, I want him to tell us indeed whether the province is going to write off some of that debt, and whether that is going to be reflected in the deficit position of this province. He looks at me again with his face out of skew because of course traditionally it hasn't been done that way, Mr. Chairman. But the Minister has indicated in his Budget Address that Crown corporation losses will begin to be reflected, and he will say, no, they're self-financing, Mr. Chairman.

A MEMBER: It's not a Crown corporation.

MR. C. MANNES: And yet they say that it's not a Crown corporation.

A MEMBER: It isn't.

MR. C. MANNES: Well, Mr. Chairman, who is guaranteed the debt then? No organization can go into debt \$80 million without somebody guaranteeing it.-(Interjection)- So who has guaranteed it? That Minister can't go into debt \$10 million without somebody guaranteeing it, and neither can that one, and no created board of this province can go \$80 million into debt without it being guaranteed.

So who has done it, Mr. Chairman? If the government is the guarantor of it, then they're going to have to tell us how that Workers Compensation Board is going to come out of it. Is it going to levy on all the employers of this province? Is it going to levy such a fee increase to pay that debt off in a short period of time, or is the Minister of Finance -(Interjection)- I want you to level with us, tell us what the plan is to assume the debt. I'm just asking for what the provision is, Mr. Chairman. I want to know because it's not the government that's the guarantor of the debt, it's all the taxpayers of this province; that's who's guaranteed that debt.

HON. B. URUSKI: Who is the government?

MR. C. MANNES: It's the people of the province.

HON. B. URUSKI: That's right, now you finally realize that.

MR. C. MANNES: I didn't know - well, Mr. Chairman, the Minister of Agriculture taunts me. He says, you finally found that out. I've been preaching that for five years in this House and he knows it.

HON. B. URUSKI: You sound like Oral Roberts.

MR. C. MANNES: Well, Mr. Chairman, I've been called much worse, I've been called much worse, so I'm not totally insulted. Oral Roberts may be, but I'm not.

Mr. Chairman, I'm serving notice again to the Minister of Finance that we are not going to continue to sit here and allow the members to bring forward statement after statement of Crown corporations, these massive losses without the government telling us how it is they intend to deal with it.

HON. B. URUSKI: Where has that money gone?

MR. C. MANNES: Well, the Minister of Agriculture says, "Where has it gone to?" Mr. Chairman, I assume

that in most cases, hopefully all cases - although there's some doubt about that, but hopefully in most cases - it's gone to deserving beneficiaries, people who deserve it as stipulated within the law. Hopefully that's gone too.

HON. B. URUSKI: What is your point?

MR. C. MANNES: The Minister of Agriculture says, "What's your point?" I ask him what's his point? The problem is, Mr. Chairman, there's an \$80 million - or maybe greater - debt associated with that, with the activities of that board. The Province of Manitoba has guaranteed that, and all I'm asking the Minister of Finance is, is he considering writing off, as the Minister of Finance, a portion of that debt; and if he is, is it going to be reflected in the deficit of the province, or is he considering bringing in another economic statement, another bill of taxation, which is going to allow for something akin, Mr. Chairman, to what was provided in this Budget with respect to the foreign exchange losses and Manitoba Hydro? And remember those words, Mr. Chairman, "a one-time hydro rate increase." Call it tax, Mr. Chairman, of 4.7 percent. What was the purpose of that? Mr. Chairman, the purpose of that was to deal with foreign exchange losses. All I'm saying to the Minister of Finance and now to the new Minister in charge of the Workers Compensation Board and the former Minister is tell us what you have in place to deal with a massive monumental loss which will be made public next week, Mr. Chairman, because as we sit here, we can't see how it is that the Workers Compensation Board can possibly increase levies to such a degree against the employers of this province that can possibly consume \$80 million-plus worth of debt.

So, Mr. Chairman, those are my statements, and in them are the questions. The questions are this: Will the Minister of Finance lay before this House the multi-year plan, the multi-year budget that provides and allows the First Minister of this province to state he believes that he will be able, his government will be able to balance the budget? Secondly, will he tell us whether or not the government, in guaranteeing the debts of the Workers Compensation Board, is contemplating writing off any of that debt? Thirdly, is it contemplating putting on a special governmental tax or a governmental levy against the employers of this province so as to reduce that debt?

MR. CHAIRMAN: The Honourable Member for Inkster.

MR. D. SCOTT: Mr. Chairman, I'd like to respond and react to some extent to a couple of the comments made by the Member for Morris in his just completed speech to the House.

I take great offence to some of the type of language that he used when he talked about Manitoba having the worst taxation regime in Canada. Mr. Chairman, that is absolutely hogwash; that member knows that is absolute hogwash. He knows it is, and then he turns around and he tries to come and bring that kind of half-truth into this House, and I reject that.

Now he claims it's documented. Well I can tell you what the Province of Saskatchewan, his Tory friends

next door, documented last year and updating it to this year, to show you what the taxation regime is for the various families in the Province of Manitoba compared to the other provinces in Canada. I think I'm going to take some time right now to read right through these so the members opposite can get some idea and, when they talk to people, not to go out and to spread mistruths to the people of the Province of Manitoba with that kind of inflammatory language.

Mr. Chairman, for a family of four people, two parents, two children, earning \$20,000 a year, this is the net taxes of the total taxes paid, province-by-province. This gives you personal income tax; it also includes tax rebates and tax credits. It includes health premiums which are not levied in this province. It includes the retail sales tax; it includes gasoline tax, based on the use of something like 2,700 litres of fuel a year. You total all those basic taxes that are provincial levies that are brought in by the Provincial Governments in each administration, and this is what you come off with: Manitoba, with the new Budget, \$765 in a year for this family with \$20,000 income.

The next lowest is Saskatchewan. Without this year's Budget brought down yet - it's not expected for another month or two - they still pay, on last year's basis compared to this year's Budget, the new Budget in Manitoba, \$931, almost \$200 more than we do here in Manitoba.

Next to that is Alberta, \$1,024.00. After Alberta comes Quebec, \$1,135.00. So Manitoba's some \$400 less than the Province of Quebec, almost \$300 less than the Province of Alberta. After that is British Columbia, \$1,381; then Prince Edward Island at \$1,427; New Brunswick at \$1,503; Nova Scotia at \$1,538; and Newfoundland, \$1,769.00. And he, the Member for Morris, tried to say that this province has the worst tax regime in the country. What hogwash, Mr. Chairman.

For a family with a \$30,000 income, same family, same circumstances, give them \$10,000 more income. What happens now? Okay, under the new provision in Manitoba, under the new Budget just brought down by the Minister of Finance last week, Manitobans will still be the lowest in the country.

The only province that even compares to us - and they haven't brought their budget in yet this year, but they're facing a \$2 billion deficit or \$1.5 billion in current years in Saskatchewan, so they're going to have to drastically increase their taxes. The days of the freebies and the giveaways of Saskatchewan have ended, believe me, they've ended. If any of you have taken the time to read the document published two weeks ago by Bob Lane, the Minister of Finance in Saskatchewan, you can realize the situation that they are in and the actions that they're starting to take. They haven't told the people the taxation actions, but there will be taxation actions there, and significant taxation actions.

I believe they'd be dang fools if they continued with total exemptions on gasoline taxes. Even Alberta finally realized - it's the first time since 1978 - that the idea of not having any tax on gasoline is ludicrous for a province if it wants to maintain any kind of level of services for their people.

So of the \$30,000 income, Manitoba, \$2,257; Saskatchewan, with last year's budget is \$2,245, \$30 dollars less. But like I say, when their taxes come in this time, it's probably going to be \$300 or \$400 higher.

Next to that is Alberta - excuse me, Alberta is less than ours, even with the new taxes at \$2,058.00.

After Alberta, British Columbia, \$2,488; after that comes Prince Edward Island at \$2,652; Nova Scotia at \$2,842; New Brunswick at \$2,801; Quebec, \$3,050 - that's \$800 more than here - Ontario, \$3,138, the rich Province of Ontario, the mecca for industrial growth in this country, the province that the members opposite often use as a model, \$3,138 or \$800 more than the Manitoba taxpayer in the same category.

So, Mr. Chairman, you can see once again the falsehood of the statement of the Member for Morris when he talks about Manitoba having the worst tax regime in the country.

A MEMBER: You should run in Saskatchewan.

MR. D. SCOTT: After that, when you take it up to \$40,000 income, Manitobans, with the equity built into our taxation system, we start paying a bit more, but we're still less than the other provinces.

It goes up to \$4,100 in Manitoba, compared to last year's budget in Saskatchewan of \$3,600.00 - this year's again, for that income level, will probably be up around \$600 - Alberta at \$3,280, still low; British Columbia at \$3,845 - it's catching up; and then you get into Ontario where it's \$400 more, at \$4,501.00. Quebec is \$5,190, which is \$1,000 more than Manitoba; New Brunswick is \$4,373; Nova Scotia, \$4,428; Prince Edward Island, \$4,144, just about the same as ours; and Newfoundland \$4,948, about \$500 more again.

So that puts the credibility of the Member for Morris, who is their Finance critic and is a member who wants to see the deficit reduced in this province, and recognizes the need for responsible tax increases to be able to provide for the services in the province. As well, I'll appreciate their wishes for restraint, their wishes for reductions in certain areas. I just wish the members opposite would tell us more areas where they want to reduce the expenditures.

Give us those ideas, and I invite them from you. I might even join you in some of them, because the indications I'm getting from my constituents is that they're certainly willing to see a reduced growth in government, very willing to see that. But are you people going to scream and holler every time something is reformed to be able to reduce expenditures? Are you going to yell and holler at the top of your lungs, like the Member for Brandon West, if something is affecting his local hospital because they have overspent beyond what their budgetary capacity is, provided by the Minister of Health here? Or are you going to be more responsible and get out there and try and look for solutions on holding expenditures, as well as responsibly supporting necessary tax increases?

Thanks very much, Mr. Chairman.

MR. CHAIRMAN: I'm at a loss.

The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Chairman, I'm going to be brief. I'm not going to be like the Member for Inkster, who takes a report that we've all had delivered to us and we've all read, and we all on this side have doubts about and will have it checked.

Mr. Chairman, I will be a little more precise about the Budget and just say to the Minister of Finance, does he not realize or does the government side not realize that people making as low as \$13,000 are going to pay more tax in the Province of Manitoba? Does he not realize that you've affected the investment portfolio for companies? When they decide to go to a province, you've affected their opportunities to come to Manitoba, but nobody seems to care about that.

Is he saying that there hasn't been an increase in Manitoba, because this is Manitoba? When he talks about Saskatchewan, Saskatchewan's deficit is there and borrowed to take care of their No. 1 industry, which is agriculture. They have a cyclical problem and, when we had the same problem with flood and drought in this province, we did the same thing. We now have a situation where we get compared to other provinces, and they're taking care of their energy industry in Alberta and their agricultural industry in the Province of Saskatchewan. This government is flat broke because of their wild spending and we're not able to take care of those particular industries.

Now, Mr. Chairman, the other comment that I would make regarding the comments from honourable members opposite is, yesterday, the Minister of Industry stood up and he made some statements, but the one statement he made to somebody outside the House when they were commenting on the investment in the Province of Manitoba and the effect that the new payroll tax would have on it, he said, hogwash. Those were his words about the effect of the payroll tax in the Province of Manitoba. He said, look at Quebec. They've got 3 percent, and they still have investment.

Does this Minister of Industry and does this Minister of Finance allow the comparisons of investment going into Quebec versus investment going into Manitoba? Does he not realize the problems we have in Manitoba versus Quebec, where they have population, seaboard and everything that goes with it? Does he not know the problems that we have to get investment here and completely ignore it by saying, hogwash, they have something in Quebec?

Maybe it's time the Minister of Finance would just stop discussing things with the Minister of Industry if that's the attitude. The Minister of Industry - he's not here at the present time - but would somebody please relate this to him? I shouldn't say he's not in the House, because I know he's in the building and he is probably busy. But he said the other day across the House to me, he says, you've never asked me a question. You know, who would ask anybody a question of a Minister who stands up and doesn't answer them and disgraces this House with his answers by going off on complete tangents on other subjects? I don't have time for that. I'll see him in committee but I don't have time for him to disgrace this House with his answers.

MR. CHAIRMAN: The Honourable Member for Ste. Rose.

MR. G. CUMMINGS: Thank you, Mr. Chairman.

I want to direct a few remarks to the deplorable situation that is beginning to develop in the Highways Department in this province. When we look at the Highways Department and see the changes in revenue

compared to the expenditures that have gone into this department and the improvement of the infrastructure in this province, there's only one conclusion that we can come to. The member in the back bench on the opposite side says, spend, spend, spend. This is the same member who was interested in making 75 a toll road so that we could let the Americans pay. That's his attitude towards tourism in this province.

The people who bring the money into this province in the form of income for the people who work in the Tourism Department, and they have that kind of hogwash coming from the back benches, it certainly explains why Tourism and the Department of Highways are not getting the support they need. Seventy-five is one of the major tourist roads in this province, and doesn't need to be treated as a backwoods trail.

Mr. Chairman, when we look at the expenditures for Highways in this province, in 1984, there was \$197 million. In 1987-88, we're going to see an expenditure of \$203 million, an increase of about 2.8 percent. Now that sounds fair and reasonable but, when we look at the rest of the Budget in this province, we realize that the Department of Highways is not being given the consideration that I, for one on this side of the House, believe it deserves.

We are just looking at a Budget today where we see revenue increases far in excess of the rate of inflation in this country and in this province. Yet, when we break down the funding for the Department of Highways - I'm sure the Minister is aware of these figures - but I think there are a few other people on the government benches that should have these figures drawn to their attention.

First of all, as I say, we see a 2.8 percent increase in funding in total Highways expenditures but, when you break that down and take out the money that's being transferred from the Federal Government, this province has put an increase of 1.8 percent into Highways in the last three years. In fact, that could be projected to include the last four years, Mr. Chairman.

If we go down to look at capital expenditures - and that is truly where we have some major problems in Highways in this province, in the capital expenditures, whereby we see construction of high-quality transportation routes throughout this province. If we withdraw from the capital expenditure budget the amount that does not directly relate to road systems in this province, we see, first of all, that the total budget changes in the same time period would be .05 percent increase.

But if you take it one step further, you see that we have a 2.9 percent drop, including funds that have been transferred from the Federal Government. If we take out the Federal Government funds, this province and this government have dropped the capital expenditures directly going into the road system by 5.7 percent, Mr. Chairman. That is a number which I think is absolutely appalling when we see that the rest of the government expenditures cannot begin to stay close to the rate of inflation in this province.

So I will not stand here or sit in my place at any time in this Legislature this year, and hear the members talk about not being able to repriorize. They have obviously repriorized in the direction that they want to go, and they're prepared to let the highways of this province sink into a morass of potholes - good stuff.

The people who can't get quickly to a hospital in areas in the LGD's because their roads can't be maintained, we see a cut of 30 percent in funding going to the LGD's. Ask the reeves of the LGD's why they are upset about that cut in their funding. How are they going to handle it? They can't give a 10 percent or 15 percent increase to their local taxpayers, so they're going to reduce services. If you want to be able to get health and education services in rural Manitoba, you've got to have roads to get there.- (Interjection)- The member taunts me about not being able to have it both ways. I'm talking about having a reasonable road infrastructure in this province, and repriorization of expenditures that this government has taken is not the direction that, I believe, the people in rural Manitoba are interested in. It is very easy to -(Interjection)- We only need to look at the revenues that can be generated in heavy construction. With \$80 million worth of capital expenditure, we can generate 4,000 man-years of work in this province.

Now, Mr. Chairman, when we look at 20,000 people employed in the tourism area in this province, we see that there is a tremendous amount of money generated. We look at the income tax revenues between the Federal Government is some 72 million, to the province is 55 million. These kinds of dollars will very quickly help offset the expenditures of maintaining our road system, so that we do not need to be apologetic to the tourist industry in this province. But I diverge too much, Mr. Chairman, into the tourist area.

Let's deal with some hard facts. Let's look at the fact that the bridge construction in this province appears to be on hold. The trip report, which I'm sure the Minister is well aware of, says that there are 19 bridges that will need to be replaced at a cost of \$16 million, and two other bridges that will need to be rehabilitated at a cost of \$400,000.00. Yet, we see a bridge at Selkirk that will take far more than that out of Highway expenditures, and that is only on one bridge. Only this week, we see where there was a \$300,000 bridge built in Northern Manitoba that, unfortunately, was found not to be needed before it was even completed. Yet, we have \$16 million worth of bridge maintenance and construction that needs to be done in this province, and it needs to be done soon.

The average bridge in this province, according to information that I have received, probably will cost in the neighbourhood of \$800,000.00. Last year, this province spent \$2.9 million on 10 bridges. The Department of Highways is avoiding some major future expenditures. Not only are we avoiding dealing with the deficit in this province, Mr. Chairman, we are avoiding dealing with the real problems.

A very simple example is the 101. The section of that highway that is left there is probably one of the most expensive sections of that highway to be built at any point. I suggest that it will be many, many years before that section will be completed, because we simply have not been prepared to look at the benefits of highways and look at where some of the funding could come from without damaging the social programs and the very important work that we do for the people of this province. We are neglecting the infrastructure.

Mr. Chairman, I will only take a minute to deal with the revenue side of this department. I'm concerned that, when the Minister is prepared to go on CBC radio

and tell the people of Manitoba that it's the Federal Government's problem that we don't have enough money for highways in this province, why don't we have a dedicated one-cent-a-litre tax, and the incomes of the Province of Manitoba would probably be, I believe he used the figure of, \$15 million annually.

That \$15 million annually, apportioned according to our population and our consumption of gasoline, would be a very good figure to put into the Highways budget for capital expenditures. But who pays that? Why is it any better that the Federal Government tax the driving public of this province than the Provincial Government? What has happened, Mr. Chairman, is that the income revenues to the Department of Highways on highway-related revenues has risen dramatically in the last four or five years, and the expenditures have simply not kept pace.

Gasoline tax revenue has gone up 21 percent in the last four years. Motive fuel tax has gone up 89 percent, half of which would have come from highway usage. We have seen a 45 percent increase in the license fees in highways in this province - 45 percent. At the same time, we see a 2.8 percent increase of expenditures in the Department of Highways. Drivers' license fees have risen 132 percent.

So, Mr. Chairman, I think these figures speak for themselves. I think the concern of the members on this side is obvious, that we are avoiding dealing with the future problems of transportation in this province. We spend all our time beating at windmills and complaining that the Federal Government is not doing it's share. I will certainly stand in my place and say that I will encourage the Federal Government to become involved to a greater extent, but only after this province is prepared to accept its own responsibilities.

MR. CHAIRMAN: The Member for Kirkfield Park.

MRS. G. HAMMOND: I just have a brief question and comment on behalf of a constituent, Mr. Chairman.

One of the senior citizens in my constituency called and asked how fair and equitable it is when seniors are penalized 2 percent on net income which, in most cases, is their gross income. He went on to say that they're being penalized for saving and being careful with their money for years and years. Now this government, who has not been careful with their money and has squandered it consistently, is taxing the very citizens who have been the backbone of this province.

Mr. Chairman, these people grew up in homes where the depression hit hard. They knew what it was to have hard times. Then they went through the period of high inflation during the late Seventies and the Eighties, which has eroded their income to start with. Then this government comes in and, before they can make one deduction, grabs their share.

I ask the Minister again on behalf of my constituents - and this goes for all the citizens who have carefully saved and carefully spent their money - to a government that has done nothing but squander, how fair and equitable is this Budget when they make grabs before anyone can make a deduction. I'm talking about medical, I'm talking about personal, I'm talking about disabled, and all the areas where this government is grabbing first and to just state that this is one Budget

that people are going to see. When they do their income tax next, when they get their paycheques after July, they're going to be able to look and see where this government is grabbing, and it's going to be up front for a change.

MR. CHAIRMAN: The Honourable Member for Virden.

MR. G. FINDLAY: Thank you.

I'd like to spend a few minutes just talking about the agricultural situation and put some comments on the record regarding lack of action that's been occurring in this industry, lack of action by the Minister of Finance, the Minister of Agriculture and everybody on the other side of the House. They get up repeatedly, and they mention that agriculture's a priority, agriculture has trouble.

But I heard a very unique comment this morning in answer to a question from the Member for La Verendrye. The Minister for Co-op Development said he was prepared to sit down and talk with our member and discuss problems in the credit union area, and try to work out some solutions. The Minister of Agriculture has never yet made that offer. He never has, even to the other members of the industry. He hasn't talked with organizations; he won't talk to farmers who come and speak to him. It's getting to be a very sad state of affairs when this Minister is so callous in his response to questions in this House, to letters that are written to him. Mr. Chairman, it's reaching the point that farmers are wondering what this Minister of Agriculture really thinks when it comes to the agricultural industry.

The Minister knows that the Manitoba farmers are facing a net reduction of 21 percent in their net realized income. This is an established fact; Statistics Canada has published it. He's acknowledged it in information that he has published himself, because there's a very severe financial crisis out in agriculture. It's lack of income because of forces beyond the farmers' control. What is this Minister doing to respond to those problems?

He seems to be able to baffle on answers and send out letters. Members on the other side of the House might be interested in how the Minister of Agriculture responds to people's questions. This individual wrote to him and asked him if there was something that this province could do to help the farm community. I'll read a sentence in his answer. They're talking about assistance through MACC. "This assistance started with the Interest Rate Reduction Program in 1982 to cushion farmers . . . "- farmers indicating all farmers - ". . . from the devastating impact of high interest rates." That program applied to those people who are borrowers through MACC, no more than a 1,000 out of the 32,000 farmers who are out there. Yet, that answer indicates that all farmers have that Interest Rate Reduction Program available to them. It's a total fabrication of the truth.

Mr. Chairman, that Minister of Agriculture, over the last few weeks of this House being in Session and going back to the last Session, takes a number of questions as notice. If he doesn't think that the answer is going to be to his liking, he baffle on the answer. There's a number of questions that need to be addressed in this industry and the farmers have to get straight answers.

When you write a letter to the Minister, he's very, very slow to respond in answer to that letter or that question that's raised to him. It leaves a lot of farmers, as well as myself, rather frustrated as to whether he really cares.

The Minister has been offering, in answers to myself and to farmers in this province, that maybe a feedlot program is necessary. I know he has taken a particular program to Cabinet and has come away with nothing. His Manitoba beef plan which he brought in, in 1982, was brought in to be actuarially sound, and now the sugar beet producers have a plan worked out with the Federal Government and the Provincial Government that is also actuarially sound.

But is this Minister prepared to follow up and sign the tripartite agreement for this sugar beet industry? No. Does he answer the question? No. Has he done any analysis to determine the impact of the lack of a tripartite agreement in terms of the sugar beets that won't be grown and the number of workers that are going to lose jobs in the sugar beet plant and the jobs where there are goods and services supplied to that plant in this province? There's a tremendous amount of trucking involved with that sugar beet plant. All those jobs are going to be gone.

In this particular Budget, there was some money put forward to address the school tax situation in agriculture. We need some direct answers on how that program is going to be administered, Mr. Chairman, because the farmers are now trying to prepare their cash flow - convince their credit union managers and their bankers that they can get an operating loan to carry on this year. Without details as to how this plan is going to be administered and made beneficial to the farmers, it's very difficult for anybody to analyze whether an operating loan can be given or not.

Mr. Chairman, last Session, a year ago, the Minister of Agriculture, in response to statements that they had made during the election campaign, introduced a FarmStart Program of about \$5 million, a Farm Aid Program at \$6.5 million. We had a Loan Act containing the \$5 million in the early part of last Session.

I would like to ask the Minister: How much money has been loaned out under the FarmStart Program a whole year after it was introduced? How much money has been utilized under the Farm Aid Program, under The Family Farm Protection Act? How much of that money has gone out a whole year after it was introduced? This industry is in real trouble and needs answers and programs now, not introduce one year and maybe start administering the money a year later.

The School Tax Assistance Program falls into the same category. It's been introduced, and in response to questions, there appears to be no detail on how the program is going to be administered, how the money is going to be made available to the farmers, and they're asking questions and he's not going to answer them here in the House. He just takes them as notice and we never hear the answer. Yes, he says he'll produce the answers; but if he has them, then let's have them today. Now is the time.

Mr. Chairman, as I said earlier, farmers are trying to prepare their finances for 1987. This is a small program. It's a program that we were the first to identify as being of need to the farmers of Manitoba, and I congratulate the Minister on bringing it forward even though he doesn't have the details.

Will he sit down with organizations or ourselves to try to work out details that would be beneficial? No, he seems to think that he knows all the answers. But let's bring them forward, let's have the details, let's find out how it's going to be administered through the R.M.'s. Is it going to be a credit up front or is it going to be a deduction off the property tax at the time the property taxes are due?

What about the relationship between the landlord and the land operator? Is the money to go to the landlord who doesn't farm the land, or is it going to go to the renter? If it is, how? Let's have those details.

Particularly, we've got to know something about the multiple operator units, the father-son relationships. Is only one member of that unit qualified? If so, it's coming short of what is needed to help those grain farmers in that situation.

Probably the biggest question that I really have, the way the program was presented in the Budget Address on Budget night, it looks like hobby farmers and homeowners on 20-acre lots or 10-acre lots or 40-acre lots are going to get the full benefit of that School Tax Assistance Program. They're not genuine farmers. They may own some acres, but why should they be getting out of paying the education tax? I would have thought that program should have been directed to the grain farmers of Manitoba who have to have large acreages in order to have a viable unit, not make it available to the hobby farmers, the large lot owners and the intensive livestock units of which he is one of them.

Mr. Chairman, I think that Minister owes some answers to the members on this side of the House and to the farmers of Manitoba as to how the program is going to be administered. It's a good program because we initiated the thought on it, but it's got to be delivered in a fashion that's going to be beneficial to all.

Another thing is that in the Budget Address, they're talking about 32,000 farmers in this province. Last year, when we were talking about Bill 4, it was identified we have 12,000 to 14,000 commercial farmers. Now where do all these extra farmers come from, who, the Minister says, three-quarters of them won't pay education tax? And that clearly identifies that the smaller really non-full-time farmer is the one who benefits more than the full-time farmer.

Another area of considerable concern in the Budget was the land transfer tax. Agriculture has a temporary exemption and the farmers of Manitoba need to know the definition of temporary exemption. How long will it be in place? What factors will have to change to cause farmers to have to start paying the land transfer tax? Eventually, we can all see it as an added cost to our doing business.

Under MACC, there's a number of questions this Minister must answer. He refuses to answer them when they're asked in the House. There's a real problem, an ongoing problem - we discussed it last year in Estimates - on the very slow processing that goes on with applications.

There is a policy at MACC that cash flow lending is the order of the day. With cash flow lending, a person's got to have a fair amount of land that's paid for in order to qualify because the cash flow is not all that good. That \$185,000 limit needs to be looked at, probably needs to be raised in order for bona fide farmers to qualify. Young farmers that are applying now

are being turned down time and again because they don't qualify, because they can't cash flow it.

I've been told by fairly reliable sources that MACC will not allow the use of federal payments like the deficiency payment or Western Grain Stabilization in establishing the 1987 cash flow. Mr. Chairman, that Minister was asked that question by me and he has not answered. He has to direct his staff to act responsibly in dealing with this issue.

We have in the Budget the long-term lease option to purchase for people in financial difficulty with MACC, who are prepared to, I gather, quit-claim their land. We need to know how that program's going to be operated, some real details, so the farmers know if they take that route that they really can buy their land back eventually. We need to know that it's not a land-banking procedure where the Government is going to jack up the price in the future where it's impossible for that farmer to buy it back.

The Guaranteed Operating Loan, the extension to the credit unions, the first question is: How much of that 12.5 percent has the Government paid out to the banks since that program started and how much room is there left? When it's made available to the credit unions, are there going to be special arrangements that are not available to other credit institutions? Is each credit union going to stand on its own or is it going to be operated through Credit Union Central? If a large loss occurs in one area or one credit union in the province, does that mean that other credit unions are now liable because they don't fit into the 12.5 percent? Some answers in that direction are definitely needed.

The Interest Rate Buy-Down Program, it's a program that I will support if the details of operating of it are adequate so that they're to the benefit of the farmers. We need to know how many farmers are in trouble, how many are going to be applying for this, and how the interest rate is going to be written down. Is the amount of interest written down going to be added on to the end of the debt or is there interest forgiveness? How far down can the person write his loan down, 8 percent, 6 percent? How far could he buy it down to? The farmers need those answers because they're trying to develop their cash flow for 1987. Bafflegabbing in answers and long-time responses between receiving a letter and answering to it is not an adequate response to the Minister of Agriculture. This industry is in trouble and we need to have some real responsible action on his behalf.

Thank you, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Riel.

MR. G. DUCHARME: I wasn't going to speak on the Interim Supply Bill; however, after witnessing some sidetracking yesterday in regard to this very important expenditure, I find that I must say a few words.

Mr. Chairman, this particular Budget, if it had one good thing in it, was that it now really separates the socialists from the good people.

A MEMBER: Real people.

MR. G. DUCHARME: From the real people and good people.

Through my calling on people in the area door-to-door, I have talked to several people. I've talked to quite a few people in the last several days, and before this particular Budget, they probably were being fooled a little bit by this particular government. I'm suggesting that maybe they were Liberals in disguise.

However, Mr. Chairman, we now know from this particular Budget that is not so, especially the comments that were made by the Attorney-General. Through his whole speech he implied that, hey, that's not your money, we can take it any way we want. It's our money, and we shouldn't talk, and people out there in the street shouldn't talk about this being their money and their goods.

I look forward for the next week or so going through the area that I represent, talking again to the small businesses and talking to him, when you're telling him that the 2.25 percent is not going to affect his payroll. Then we talk that it's not small business we're affecting, but we all know, anybody in small business knows that in all small businesses the majority of their expenses is their payroll - and you've gone right after that, their payroll.

Then something that we haven't even started to touch on yet and we're going to get many, many chances to harp on it, is the 1 percent sales tax. I would like to quote from the March 23 paper, the Financial Post, by Mr. Andrew Allentuck. Here's what he says about the 1 percent sales tax: "The poor person who may get a small break and reduced taxes on low income will have to pay 1 percent more through sales taxes. The gain to that person is trivial at its best. This is the most cynical, most socialistic Budget, Manitoba has had in my memory."

The Member for Inkster brought out that form we got the other day trying to tell us that the people of Manitoba aren't paying the highest taxes. The Finance Minister can play around with these so-called figures. He cannot hide the fact that anyone who pays any substantial tax in Manitoba, which is about 70 percent of the Manitobans, still are going to get that 2 percent added to their tax.

This I know will help many times during Estimates to get up and mention the expenditures concerned, but I could not resist mentioning in this particular forum a letter that I received the other day. Maybe this particular letter will represent, and I know it represents most of the mail that I'm getting the last several days. Here may I quote: "Spending increases that are not related to mortgageable capital items, but on expendables for short-sighted programs. Don't get me wrong," he says, "this is not the philosophy of a person favouring some other political stripe."

This is the opinion of a person who thought it was worthwhile to strive for a living beyond the standards of his childhood, earn over \$30,000, knowing that he's not rich, like the government believes, and one that is totally deflated of that initiative, due to the onerous indications of this Budget.

Next paragraph he says, "I, for one, don't want to be the same as everybody else, if that is the objective. I want to preserve a sense of distinction and self-satisfaction, whether real or imagined, and I am prepared to work hard to achieve that goal. But how can one do that with the cancer of taxes aimed at penalizing your competence, disproportionate to your

true affordabilities. This government suggests, by their attacks, that the rich are evil or at least undesirable rodents feasting on the woes of the underprivileged." This is the type of mail that we're going to be getting for the next several months and this is the type of mail that we'll be getting for the next several years.

This is the way this individual signed off: "Over \$30,000, but not rich." I just want this particular government on the other side of the House to know that I am looking forward to calling on these type of people to get this message across to finally convince these people, and I know they're convinced now, that these people are socialists on the other side of the House.

Thank you, Mr. Chairman.

MR. CHAIRMAN: The Member for Minnedosa.

MR. D. BLAKE: Thank you, Mr. Chairman.

I will only take a minute or two. I won't go too far into discussing this particular Budget. My colleagues will do that in far more length before we pass this particular Interim Supply Bill, but I did want to take a moment or two to mention that the correspondence that I'm being deluged with now from the workers in the body shops throughout this province that were told by the members of the Public Insurance Corporation that there would be no increase for them this year in the body shop rates, and this should be spread down to the employees. The employees have been asked to take a 5 percent cut in their wages. The correspondence is flooding in and I'm sure the Minister is getting it. There are letters here to the Minister of Finance from constituents of his, from the members on the back bench that have constituents and I'm getting copies of them.

With the increases and the increased taxes that are levied against these people in the Budget, to say nothing of their hydro increases and a few other things, to ask these people to take a zero increase, when the government's increasing their spending about 9 percent, it just seems so unrealistic, Mr. Chairman, that I felt I should say a word or two at this time.

We'll be saying a little more about it when we get into the Minister's Estimates and get into the lesser discussion on the Manitoba Public Insurance Corporation affairs. I imagine there'll be a few more meetings on the more important matter that's before that committee at the present time, such as the cover-up suggested by committee members in earlier stages.

But, Mr. Chairman, I wanted to bring that to your attention, the indignation that's being felt out there by your constituents, by mine, by the Minister in charge of the Public Insurance Corporation and by all members on that side. I hope that there is some method of reopening negotiations and arriving at some satisfactory conclusion to the problem that these men are facing and those in the Autopac repair business, in the automotive repair business.

As I say, I'm sure the Minister is well aware because there are at least two or three letters here from constituents to him asking him how he would like to take a 5 percent cut in wages judging from the Budget he brought in to fleece the people of Manitoba like they've never been fleeced before.

MR. CHAIRMAN: The Honourable Member for Portage la Prairie.

MR. E. CONNERY: Thank you, Mr. Chairman.

While I can't say that the Minister of Tourism is not here, I wish she would be able to hear what I have to say.

MR. CHAIRMAN: No reference to the absence of members in the House.

MR. E. CONNERY: Can I delay mine? There were two other people who were supposed to be here in the House when I was to make my presentation and ask questions.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. E. CONNERY: No, I'll carry on, never mind. I get a big laugh from the Member for Radisson and I wouldn't want to worry him.

Mr. Chairman, we talk about tourism in this province as being the third largest industry; it employs something like 30,000 people, part-time and full-time. In the last two Throne Speeches and Budget Addresses, Tourism hasn't even been mentioned. As we see, the budget for Tourism has not been increased, although there has been some extra money from the Federal Government.

This government, Mr. Chairman, has ignored an area of employment, and let it be known that the Minister of Finance is laughing over there. Well, we don't think that losses in jobs are funny.

HON. E. KOSTYRA: On a point of order.

MR. CHAIRMAN: A point of order is being raised.

HON. E. KOSTRYA: I was not laughing at what the member was saying. I was laughing at the fact that he and other members opposite are saying things in contradiction to the things that the Member for Morris has been saying where we should be cutting back on expenditures rather than spending more money.

MR. CHAIRMAN: The Honourable Minister knows full well that's not a point of order.

MR. E. CONNERY: Mr. Chairman, just a couple of weeks ago - in fact, Budget night was one of the days - there was a tourism convention at Hecla Island. There was the total tourism industry represented at that meeting, Mr. Chairman, and I had the opportunity to go up, although I did miss the Budget Address and I was sorry to miss that, but as I found out after, it was a disastrous Budget and I probably would have been very depressed. But, Mr. Chairman, there was an opportunity for the Minister to listen to the tourism industry to find out what they think this government should be doing.

Mr. Chairman, the Minister said to this House, and I want to read from Hansard because I think it's important - this won't take long - "Madam Speaker," she said, "the people at Hecla were happy with the number of deletions from the payroll tax because of the increasing from \$50,000 to \$100,000.00."

Mr. Chairman, I can tell you the tourism people at Hecla were infuriated with the report when they found out that was going up. I can imagine, when the Minister of Highways is now saying there's going to be an additional cent a litre on gasoline, what the tourism industry is going to be doing.

We saw additional taxes put on liquor, and liquor is one of the things that the tourist people from across the border find here to be repugnant. When you can drink for \$1 a shot in Grand Forks and pay \$3 to \$4 up here, Mr. Chairman, we see why the tourism industry is not flourishing. We see Highway 75 not being twinned, and we're told it will take up to 20 years to complete that highway, but they don't care. They'll build a bridge north of Selkirk and to the east side there's mostly ducks and ducks can swim.

Mr. Chairman, the January results for foreign tourism are down another 2.5 percent, the only province in Canada to experience a decrease. We were the only province in Canada to experience an overall decrease for the year 1986, Mr. Chairman, and this government doesn't do anything about it. It's the tenth consecutive month in a row that our foreign tourism has dropped.

One of the things I would like to ask the Minister - well, I guess it's Crown corporations, which takes in Venture Capital Tours, and I'd ask him to take this question under advisement - I would like to know, Mr. Chairman, the total amount of money invested in Venture Capital Tours or, specifically, the resort hotel at Hecla. I would like to know the profit and loss at that resort and I would like to know how many government conventions are held there on an annual basis.

Mr. Chairman, I would like to make one mention on agriculture and that is on the sugar beet industry. I want to echo the sentiments of our critic that this Minister has abandoned a lot of farmers, a lot of workers in the rural country, and a lot of workers right here in the City of Winnipeg, who will not have a job because this Minister is too stubborn and too arrogant to go and enter into a tripartite program.

Mr. Chairman, what makes it more repugnant is that this Minister is insulated from the costs and the drop of income that most farmers are experiencing. Mr. Chairman, he has a quota for turkeys - we call him the "turkey farmer." He has a quota with a built-in cost sector where everything is figured in plus a profit.

Mr. Chairman, this Minister of Agriculture, I think, is in a conflict of interest because he is not treating the farmers as well as he is being treated. I'm not opposed to orderly marketing, but this Minister should be sensitive to those who do not have orderly marketing and are subject to the whims of the world market. This Minister, Mr. Chairman, is a disgrace to this province.

Mr. Chairman, as I said, I wasn't here on Budget night, but I did have the opportunity to read the Budget. I see the Minister of Industry, Trade and Technology is here. I will quote from the Budget. He says, "For example, with assistance under Jobs Fund development agreements," and he lists three companies very proudly: Carnation Foods, Palliser Furniture and Guertin Brothers. Well, as Business Development critic, and while these are in the larger sectors and probably come under the Member for Sturgeon Creek, I would like to point out that also with Carnation Foods, the Provincial Government made a contribution of \$1.5 million but

those terrible federal people made a contribution of \$3,624,000, Mr. Chairman, double the provincial contribution.

In Palliser, the province put in \$1 million, but the Federal Government put in \$2 million, Mr. Chairman. These are the things they're taking credit for. I will say that the Provincial Government put in a little bit more money into Guertin Brothers, 450 to 394; so in that particular case, they did put in a little more than the Federal Government.

Mr. Chairman, they complained about the CF-18 contract going to Montreal. Well, I'm convinced, Mr. Chairman, that if the NDP Government were in power and Ed Broadbent was the Prime Minister of this country, I'm sure he would have given the CF-18 contract to Bristol, but before it went to Bristol, Bristol would have been moved to Montreal; because I watched that convention and I saw the Leader of the NDP Federal Party stand up and say, "We are saying yes to Quebec; we are saying yes to Canada." They didn't make any mention of Manitoba, the Maritimes, the other western provinces, but they singled out Quebec. Now I ask you, when this Provincial Government stands up and blasts the feds, they better also blast their own party because they're tarnished with the same brush.

Mr. Chairman, the small business sector, a year ago the government announced a Small Business Development Bond, and we asked for the details on this bond. It was in The Loan Act (1) last year, and we had it withdrawn, \$10 million, but it came in under the second one, and we thought there was a program there for the business community and we approved \$10 million to go into a program - we don't know what the program is - but to a program to help small business. We still have not had any indication if there is for sure, although the Minister said she will be giving us something that is for sure coming and what the details are. I've asked the business community and not many people know what is happening with it.

So I asked the Minister this year if the small business growth fund was going to take as long, and the Minister actually indicated in Hansard, and if you read Hansard, that she didn't know. The Minister said she didn't know, and I think this is tragic when the Minister of Business Development doesn't know.

That sector, Mr. Chairman, is the largest sector because the government now says 97 percent of business in Manitoba is small business.- (Interjection)- Well, sure, because they're after the big ones and they'll make sure there is no big business here to help with our exports. When we get into Estimates, Mr. Chairman, we'll have an opportunity to show that our export business is not doing well and that our private sector outside of the bubble created by North Portage, Limestone and the Core Area will not be very good.

In closing, Mr. Chairman, there are two things that the CFIB indicated were very detrimental to business development in this province. Payroll tax, now an increase of 50 percent this year, Mr. Chairman, and if this hasn't stopped a lot of businesses from coming in, which I believe it did at 1.5 percent, it's going to be the death knell of attracting new businesses to this province. But more startling in the CFIB report was that Workers Compensation now has come to be thought as the second-worst deterrent to business development in Manitoba. We're talking about

Manitoba. The Minister is going to be stick handling and he's already using some of the ploys that we have seen by other Ministers in this House, by "I don't know."

Mr. Chairman, if this Minister doesn't know what the deficit of Workers Compensation is now, then he should not be Minister of that department. He should have quarterly, half-year results all the way through, even monthly. There should be an upgrading. He should have an idea, an indication of what that loss is going to be, and if he doesn't know before it's printed, then there's something wrong with this Minister.

Now, we know that the Minister is not competent. I think he's honest and I think he should be telling us, because I believe, Mr. Chairman, the Minister knows what the loss in Workers Compensation is. If he doesn't know - one or the other - he either is not telling us what it is and saying he doesn't know, or, Mr. Chairman, the Minister is incompetent in not knowing what's going on because he should. That's why the total Crown corporations are in a disastrous mess because the Ministers aren't competent to know what questions to ask. I don't know if half of them can read a financial statement. All they know, if it's red or black, and they don't even know how to go about by determining what sectors have done it.

So, Mr. Chairman, I'll conclude my remarks. I would have had a lot more to say, but the time is short and other people want to speak. Thank you.

MR. CHAIRMAN: The Honourable Minister of Energy, Trade and Technology.

HON. V. SCHROEDER: Thank you, Mr. Chairman, just a few remarks.

The Member for Portage la Prairie ended up by saying that people on this side can't read financial statements. He'll recall he started out by saying he'd like us to tell him what the financial results were at Hecla which, of course, entails reading the financial statements of that organization over the last number of years, not a very difficult thing to do. People on this side can do it, and if he wants us to read it out for him, we're prepared to do that. But it's quite something to have a member tell us that he needs to know these things, when all of those statements are completely publicly available to him and to every other citizen of this province, and indeed, to anybody in this country or outside this country who asks for those annual reports. It's just a matter of understanding those reports and that's, I think, where he might have a little more difficulty.

I am sure the member does not know a great deal about what happened in this House - and that's understandable - before he got here. How could he know? But I want to give a little bit of history, and he mentioned sugar beets. Sugar beets is something that I'm interested in as Minister of Industry, Trade and Technology. There are jobs involved. We're concerned about that industry and we want to make sure that industry stays.

A couple of years ago, we had some fairly lively debates here when you weren't here either, some very lively debates with respect to the fact that the Mulroney Government was deciding to get off of the policy on sugar beets, which had been in effect since Diefenbaker, through all those bad Trudeau years, and now into the

wonderful new Mulroney era. What happened when Mulroney showed up in Ottawa? One of the first decisions was to get out of this. Let's get off this cost. Members on that side, back in 1985, were criticizing our Minister of Agriculture because he was standing firm in saying: (1) we want to make sure that for last year we get our payments; and (2) we're going to make a payment for one year, but before we make that payment, we have to have an agreement in writing from the Federal Government saying there will be only a request for the one year, and that's what we got. The Federal Minister signed the agreement. We had an agreement with the Federal Government under which he said, quite specifically, that they will not require any further financial participation by the Manitoba Government beyond the 1985 crop year. That was the agreement they signed, and they also said they'd have a sweetener policy.

Now they're back and we have people like the Member for Portage, not even mentioning the fact that historically this has been a federal issue and just attacking the Provincial Government. I'm not going to talk about the nonsense he referred to in terms of turkeys. That doesn't deserve the dignity of a reply. But the facts, the history of it is very, very clear, and I'm wondering where those people stand when they see that that same wonderful Mulroney Government is still paying 100 percent of the shot for the eastern farmers on wheat. They're not saying to Ontario and Quebec, hey, pony up. They're not saying to the farmers in Ontario and Quebec, cough up some of the money like the western farmers are under the stabilization program. They're not saying to the eastern farmers on corn, hey, pay up some of the money, not a bit. They're not saying that on soya beans, the eastern crop. They're not saying that at all, but when it comes to sugar beets, ah, that's a western crop. They don't grow that in the East any more, after Mulroney came in, so let's stick it to Manitoba. Let's keep those facts in mind.

I'd like to spend a little more time on that and I will, I'm sure, some time during these Estimates.

MR. CHAIRMAN: The Member for Springfield.

MR. G. ROCH: Thank you, Mr. Chairman.

Mr. Chairman . . . - (Inaudible)- . . . given the comments made by the Minister for Technology. He'd like to point out many times and he seemed to think that they are . . . They like to point out our problems with the CF-18, but I'd like to point out, Mr. Chairman, that it was our provincial party here that was willing to stand up to our federal colleagues, whereas we haven't seen the provincial democrats stand up to their colleagues. Have we seen you stand up to your colleagues? We watched your convention in Montreal . . .

HON. V. SCHROEDER: Filmon was attacking us.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. G. ROCH: . . . special status for Quebec.

HON. V. SCHROEDER: Filmon was attacking us for an advertisement.

MR. G. ROCH: What did you do? You crawled on your belly, that's what you did. What happened to the CF-18 resolution? It went down, it was buried; it was thrown right out of the convention, that's what. The provincial New Democrats abandoned the West. They are not speaking up for the West, they are not standing up for Manitoba. The provincial Tories have been doing so and are still doing so. We are the only politicians in this House who are willing to do so.- (Interjection)- Let there be no mistake about that.

HON. V. SCHROEDER: Who stole the airplane?

MR. G. ROCH: If necessary, we have said there were severe hard times with our federal colleagues. What about you guys?

HON. V. SCHROEDER: Who stole the airplane?

MR. G. ROCH: . . . who crawl like the snakes you are, all the way to Ottawa, all the way to Montreal, and then you'd sell out the West? Why? Because of the great socialist philosophy. That comes before people; that comes before the West; that comes before Manitoba. Make no mistake about that, Mr. Chairman.

HON. V. SCHROEDER: Who stole the airplane?

MR. G. ROCH: These people are hypocrites, that's what they are, hypocrites, each and every single one of them. But anyway, to get back to Interim Supply to finance their free-wheeling high-spending, highfaluting ways, this government which cannot manage a peanut stand like one member has said, and it's true and I agree with him.

Let us not forget that the biggest single payment that this government has gotten is interest, and why? Because of foolish mismanagement, a waste of money at MPIC, the waste of money at MTX, the waste of money at Manfor, Flyer Industries and everywhere else. Remember, despite what the Attorney-General says, the government has no money. It has no money at all; it's the people's money. It's the people's money they are spending and don't you ever forget it. And you're taking out of our left pockets, out of our right pockets, the pockets of the poor, the working, the middle class, the businessman; that's what this government is doing. All it wants to protect is its socialist parasites, that's all. Why are hydro rates going up? What's the reason for hydro rates going up so much? Is it to finance the shredders which are working overtime, possibly? Or are they are generators? If they're are generators, their motors are going to burn out pretty soon.

Mr. Chairman, I got a little bit off track here. Every time the Member for Rossmere, the member keeping Harold Neufeld's seat warm, gets up to talk, or the Member for Transcona, they seem to hit new lows all the time and I've just about had enough of these guys, and we've heard the Minister of Community Services reached a new low a couple of weeks ago, too.

But I'd just like to get it on the record that we are asking for Interim Supply because, once again, this government is running out of money and once again we have to pass a bill to enable them to pay their bills, to pay cheques to the people who work for them from

now till June 15, and we have to do that. If there was prudent management, it would not be necessary, so let there be no mistake about it. Thank you.

MR. CHAIRMAN: The Honourable Member for Morris.

MR. C. MANNES: I'm glad that a number of the Treasury Bench have come in to listen to many of the comments that have been made, Mr. Chairman, because almost every one of them - as a matter of fact there hasn't been a bad comment in all the comments that have come from this side, and all of them are very direct and they should be taken to heart by members opposite.

Mr. Chairman, there's one specific question - or there are a number that we have - and I think there have been a number have been posed by various critics on our side. The Minister of Industry and Trade, I think, has rebutted one of the questions and I don't know if he's specifically supplied an answer. But I want to ask the Minister of Finance or the Minister in charge of the Jobs Fund one specific question. I want to know if he can provide for the House a complete listing of all the Jobs Fund categories for 1987-88 and the programs too, Mr. Chairman. Because if you remember a year ago he indicated to us that the mistake we made as Opposition when we requested some of the information and later on in Estimates was that we didn't ask for that information soon enough. I believe that's on the record and part of the public record.

So, Mr. Chairman, I'm taking this opportunity to ask the Minister for that early in the Session, earlier in the Estimate process. I'd like him to stand in his place and indicate if he can when he'll be able to provide the list of programs and the monies that are to flow into each of them in the year 1987-88. Let's remember, Mr. Chairman, that this was something that was commented upon by the Auditor of the province, the Provincial Auditor. He said that if we were to do a good job in Opposition, a better job in Opposition within this area of spending, a major portion of the discretionary amount had to be taken away from the government and laid before the members of this House. That's specifically what we are asking for at this time.

HON. E. KOSTYRA: Is that the end of your question? -(Interjection)- Well, I've got a whole pile to answer. I didn't want to pounce up after every one. I'll answer your questions.

MR. C. MANNES: Mr. Chairman, well, then, fine. I have then one other one. I brought it up yesterday. I asked the Minister if he could indicate to us whether or not he could provide a total compendium of the fees in place for 1987-88. I think at that time he indicated he would go back to the department to see if that could be done. I'm wondering if he then can indicate if it can be done, and when it can be laid before the House. Indeed if it can be done as quickly as possible, naturally we would appreciate that. I think, Mr. Chairman, given the time that we have and the Minister will see fit to respond to as many questions as possible, that we are prepared then after that to pass this bill.

MR. CHAIRMAN: The Honourable Minister of Finance.

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

I will not be, unfortunately, able to respond to all the comments or questions that members placed before us during consideration of this bill in committee. Indeed, even if I had the time, I don't think I'd be able to because so many of them were contradictory to positions that other members of their caucus have adopted. We do note, Mr. Chairman, that many members spoke for more spending, and it was just last week that they voted against a Budget that provided for more spending to deal with the needs of many of our government departments. Yet, we had at least three members get up here today, saying they want more money.

I want to just respond to one specific point that was raised by the Member for Kirkfield Park about senior citizens in her constituency. I would hope that she would very clearly tell senior citizens in her constituency that the changes that we've made with respect to the income tax will mean that any senior citizen under an income level of 22,000 will not see any negative impact as a result of this tax. In fact, they will see a reduction in the amount of provincial tax payable.

I hope that the member would also sit down with those same senior citizens, if they have incomes below that level, and show them what has taken place with respect to the 1986 federal income taxes and the 1985 federal income taxes because a government in Ottawa, which she is a member of that political party, has raised taxes for senior citizens at those income levels and below. They did not only increase the general rate, Mr. Chairman, but they've also put a surtax on. Take a look at the forms to where the new federal surtax takes effect and how that's going to impact on senior citizens in her constituency. I sat down with the senior citizens who are sitting at a taxable income of \$4,900, pension income of \$15,000, are paying \$109 more this year as a result of Conservative tax increases. That same senior citizen will get reduced taxes as a result of this Budget.

In regard to the specific questions raised by the Member for Morris in regard to the Jobs Fund, as he probably noted I would hope, there is more detail in this year's Estimates with respect to the Jobs Fund beyond what was contained in any of the previous tabling of Estimates. I'm certain, and I know that the Minister responsible for the Manitoba Jobs Fund will take note of his specific question and provide the additional information at the time of consideration of those Estimates.

In regard to his question regarding fees, I have not had a chance to discuss with the department, but I don't believe there will be any problem in doing that. The question is when we will be able to get that information together. I indicated to him yesterday - and I'll stand behind that commitment - that I will have it ready no later than the consideration of my Estimates in the House. If I can have it ready prior to that, I will have it ready and provide it to him. As he knows, there are six or seven or eight pages worth of fees. Not all of them have been adjusted this year, but it will take a little time. I will do it as quickly as possible, and I think that it's something that, on a regular basis, we should table with the House. I think we'll agree to that. It's a matter of just getting it together.

But I'd like to thank all members for their comments on this bill, and I look forward to the detailed review that will commence when we next sit.

MR. CHAIRMAN: Is it the will of the Committee to consider the bill clause-by-clause, page-by-page or the bill as a whole? The bill as a whole is passed.

Is it the will of the committee that I report that the bill is passed? (Agreed)
Committee rise.
Call in the Speaker.

IN SESSION

The Committee of the Whole adopted a certain resolution, reported same and asked leave to sit again.

MADAM SPEAKER: The Honourable Member for Burrows.

MR. C. SANTOS: Madam Speaker, I move, seconded by the Honourable Member for Inkster, that the report of the committee be received.

MOTION presented and carried.

THIRD READING

BILL NO. 9 - THE INTERIM APPROPRIATION ACT, 1987

HON. J. COWAN presented, by leave, Bill No. 9, The Interim Appropriation Act, 1987; for Third Reading.

MOTION presented.

MADAM SPEAKER: The Honourable Minister of Finance.

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

If no other members wish to speak on the bill, I just would like to put a couple of comments on the record for Third Reading and that is to thank members opposite for their cooperation in providing speedy passage to this bill to ensure that there is the orderly payment of the various accounts that the province pays in terms of individuals, in terms of businesses, so that can continue.

QUESTION put, MOTION carried.

MADAM SPEAKER: I'm advised that His Honour, the Lieutenant-Governor, is about to arrive to grant Royal Assent to the bills.

ROYAL ASSENT

DEPUTY SERGEANT-AT-ARMS, Mr. A. Roy McGillivray: His Honour, the Lieutenant-Governor.

His Honour, George Johnson, Lieutenant-Governor of the Province of Manitoba, having entered the House, and being seated on the Throne:

Madam Speaker addressed His Honour in the following words:

MADAM SPEAKER: May it please Your Honour:

The Legislative Assembly at its present Session passed a Bill, which in the name of the Assembly, I present to your Honour and to which Bill I respectfully request Your Honour's Assent:

No. 2 - An Act to amend The Official Time Act;
Loi modifiant la Loi sur le temps
réglementaire.

MR. CLERK, W. Remnant: In Her Majesty's name, His Honour the Lieutenant-Governor, doth assent to this bill.

MADAM SPEAKER: May it please Your Honour:

We, Her Majesty's most dutiful and faithful subjects, the Legislative Assembly of Manitoba in Session assembled, approach Your Honour with sentiments of unfeigned devotion and loyalty to Her Majesty's person and Government, and beg for Your Honour the acceptance of this Bill:

No. 9 - The Interim Appropriation Act, 1987; Loi
de 1987 portant affectation anticipée de
crédit.

MR. CLERK: His Honour, the Lieutenant-Governor, doth thank Her Majesty's dutiful and loyal subjects, accepts their benevolence and assents to this Bill in Her Majesty's name.

His Honour was then pleased to retire.

HOUSE BUSINESS

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, on a quick bit of House business, I just want to confirm that the standing committee meeting which was announced for the first week in April will commence at eight o'clock, Tuesday evening.

MADAM SPEAKER: The hour being 12:30 p.m., the House is now adjourned and stands adjourned till 1:30 p.m. on April 6.