



Fourth Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

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ASHTON, Steve	Thompson	N.D.P.
BARRETT, Becky	Wellington	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave	Kildonan	N.D.P.
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DACQUAY, Louise, Hon.	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
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DOER, Gary	Concordia	N.D.P.
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EVANS, Leonard S.	Brandon East	N.D.P.
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GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
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JENNISSEN, Gerard	Flin Flon	N.D.P.
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
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Vacant	Charleswood	

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, March 9, 1998

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Winnipeg Hospitals Food Services—Privatization

Ms. Becky Barrett (Wellington): Madam Speaker, I beg to present the petition of Maria Loyola, Ernesto Coston, Alegria Balais and others praying that the Legislative Assembly of Manitoba urge the Minister of Health (Mr. Praznik) to put an end to the centralization and privatization of Winnipeg hospitals food services.

TABLING OF REPORTS

Hon. Jack Reimer (Minister of Urban Affairs): I would like to table The Forks North Portage Partnership Report for 1997.

Hon. James Downey (Minister of Industry, Trade and Tourism): I am pleased to table the 1996-97 Annual Report of the Economic Innovation and Technology Council. I will table these three copies, and I believe there has been a distribution to members previously.

Introduction of Guests

Madam Speaker: Prior to Oral Questions, I would like to direct the attention of all honourable members to the Speaker's Gallery where we have with us today Her Excellency Mrs. A. Missouri Sherman-Peter, the Bahamas High Commissioner to Canada, and His Excellency Sir Anthony Goodenough, KCMG, the High Commissioner of Great Britain to Canada.

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

Speaker's Statement

Madam Speaker: Today, March 9, is Commonwealth Day. Later this afternoon Their Excellencies will

participate in a fuller observance of this special day than has been the practice of this Legislature in previous years. With the indulgence of the House, I would like to place a few words about the Commonwealth on the record at this time.

It is a 54-member association of nations, with a total population of 1.7 billion. These member nations range in size from India, with 900 million people, to Nauru in the South Pacific with 8,000 inhabitants. The Commonwealth is one of the largest and most well-respected associations of nations and peoples in the world. It is a unique family of developed and developing nations spread out over every continent and ocean. Its people are of many religions, races and cultures.

The nations of the Commonwealth are bound by some guiding principles, deeply held beliefs in the promotion of international understanding and co-operation and the belief that their interests are served by working in partnership with each other. Informal links of nongovernmental organizations, professional groups and committed individuals as well as inter-governmental organizations are the cement of the spirit and work of the Commonwealth.

* (1335)

ORAL QUESTION PERIOD

Health Care System Government Strategy

Mr. Gary Doer (Leader of the Opposition): My question is to the First Minister (Mr. Filmon). Year after year, Madam Speaker, Tory Health ministers have been promising us next year there would be a plan on health care—'92, '93, '94, and again the Premier promised us a plan prior to the 1995 election which he, of course, cancelled days after the election and proceeded to freeze capital and cut acute care beds and fire nursing staff across the province of Manitoba. [interjection] Perhaps the Deputy Premier would like to answer the question, but I was addressing it to the First Minister. Perhaps you could call him to order and get some of his rudeness out of this Chamber.

Madam Speaker, I would like to ask the Premier: why has he not produced any plan to deal with the people that are sitting in the hallways waiting for a hospital bed, patients who have had their elective surgery cancelled under his administration? Why has he not produced any plan at all except to break his election promises from 1995?

Hon. Darren Praznik (Minister of Health): The Leader of the Opposition has had the experience of being in this House for many years. He has listened over the last number of years as we have discussed changes that are well underway in the delivery of our health care system. The most fundamental change has been regionalization that changes the structure of governance and administration. That, in itself, is probably the strongest change that is taking place in our health care system that will provide the tools to be able to deliver improved services, to be able to know where dollars are being spent, to be able to target dollars to ensure that we are getting full value for them.

Rurally, we moved last year—the RHAs rurally have been in operation for a year. They are working very, very well. In Winnipeg, our two authorities take on their role effective April 1, and I believe with that major change in the way we govern and direct health care, many of the changes he and his critic have been calling for will be able to be put in place in a much more effective way than under our old structure.

Mr. Doer: That is a recorded announcement from the Filmon Tories, Madam Speaker, that we have heard year after year after year. In fact, the Premier made the same statement in this Chamber in 1996, under the previous Minister of Health, when he said the regional health authorities would soon solve all the crises in health care. He made the same statement in this Chamber.

Just recently, while the Premier was in Switzerland, the new CEO of the Winnipeg Health Authority stated that there is no short-term or long-term plan in place in health care here in the province of Manitoba. I would like to ask the Premier: why has he not placed any short-term or long-term health care plan in Manitoba, and why will he not take responsibility for his lack of action? Does he not care about patients that are sitting in the hallway, elderly patients that are sitting in the

hallway night after night after night because of his broken promises and his neglect of our health care system here in Manitoba?

Mr. Praznik: Madam Speaker, first of all, I would think that the Leader of the Opposition has probably not quoted Mr. Webster accurately. Mr. Webster, bringing together, now appointing the 13 program heads within Winnipeg—their teams have been put in place. They are busy step by step working on the changes that they need to deliver a much better system.

You know, I have been in this Chamber for a number of years and I have heard such contradictory arguments from members of the New Democratic Party. If we take a step too quickly, we did not plan. If we plan, we are taking too long. Whatever happens in the system, members opposite oppose. The problems, many of the problems that we are experiencing in health care today on the organizational side have been 30 years in the making. They take some time to change; people have to be gotten into place. You know, members opposite talk about 10 years. Many of the changes we are making in the fundamental structure were opposed by a lot of the existing establishment in our system. Members opposite know very well that major structural change does not happen overnight if it is to happen well or in a good and planned manner.

* (1340)

Mr. Doer: Again the same recorded announcement we have had from three previous ministers of Health as patients are in a crisis situation. Elective surgery being cancelled is obviously good enough for this Premier (Mr. Filmon) who sits silently in his seat, lacking any leadership and any resources and any backbone to stand up for his health care cuts.

I would like to ask the Premier: on February 18, the Minister of Health, in a very self-important statement that we are getting used to, stated that he challenged the opposition to identify any beds that they had closed so that he could immediately reopen the beds. Did the Premier not brief his Minister of Health that he had cut over 1,300 beds in the province of Manitoba, some 700 beds since 1992? Did the Premier not brief his Minister of Health that he had fired hundreds of nursing staff?

Did the Premier not inform his Minister of Health that they were the ones that cut the beds and closed the beds and why would he make such a ridiculous comment and not accept responsibility for the Premier's cuts in health care?

Mr. Praznik: Madam Speaker, here we come to really the point that divides us in this Chamber. What did we hear from the Leader of the Opposition? We did not hear one recognition of the changes that have taken place in health care because of technology. We have not heard one recognition of the change in bed needs in our system which the member for Crescentwood (Mr. Sale), his own member, highlighted in this House in his speech about the need to reduce beds in acute care in increasing the long-term area.

The Leader of the Opposition did not refer once to the literally hundreds of long-term care beds that we have put into place. He did not refer once to the fact that we have tripled our home care budget. In fact, at the federal conference in Halifax this weekend, Manitoba has been hailed as one of the leaders, leaders in providing home care in the country. So we have been working for 10 years.

The member refers to elective surgery. There are from time to time reasons why elective surgery is cancelled. It happened during the flood, sometimes it happens during epidemics, and it happened when they were in power as well.

Health Care System Funding

Mr. Dave Chomiak (Kildonan): Madam Speaker, there have been so many broken promises in health care that the whopper that was told by the Minister of Finance (Mr. Stefanson) probably does not matter to the government, but it matters to the people of Manitoba. Can the Minister of Health or the Minister of Finance or even the Premier (Mr. Filmon), if he dares to stand up and deal with a health question, can they explain how they can promise \$100-million increase in health care spending this budget when \$93 million was announced this year, which means that the real increase is only \$7 million, which is hardly enough to deal with the crisis we are facing in our health care system today?

Hon. Darren Praznik (Minister of Health): Madam Speaker, does the member for Kildonan believe that the health care system is static, that its needs only occur on one particular day of the year or they are tied totally with budget years? Throughout the last year as Minister of Health, I have been working with the Minister of Finance, with our Treasury Board, as we have identified new areas that required additional resources. We supplementally funded that; we put them into place. We have now built them into our budget; we have now built them into the base. If I managed it the way the member for Kildonan is suggesting, what were we to do? Not provide home care until the beginning of the fiscal year. Not provide increased dollars for emergency doctors until the beginning of the fiscal year. We have continued to meet need as it will develop, and if new needs occur during the course of this fiscal year, I am sure our Treasury Board will authorize the expenditure to meet them.

Mr. Chomiak: Now that the Minister of Health has admitted there is only a \$7-million increase this year, will the Minister of Health or the Minister of Finance or the Premier (Mr. Filmon)—if he dares, because he is talking from his seat—will they explain which statement was correct, the one by the Minister of Finance in December when he said that special warrant money would all be ploughed into health care this year or the Minister of Finance (Mr. Stefanson) on Friday when he announced his budget in which he said a new additional \$100 million would be ploughed into health care? Which of those two statements is the correct one, Madam Speaker?

Mr. Praznik: Madam Speaker, throughout the last year as we have identified increasing need in areas such as dialysis, for example, as we were met with problems among our emergency doctors that we had to deal with both rurally and in Winnipeg, as we dealt with certain waiting list issues, as we funded 83 additional hospital acute care beds in the city of Winnipeg to meet growing need, we met those needs. Now that money has been built into our base so that my ministry, the regional health authorities, now know that there is 100 million additional dollars built in our budget over last year.

Yes, we funded during the year because it was the right thing to do, and I am very proud that we did. I

think the people of Manitoba appreciate the fact that we were there with those dollars when they were needed.

* (1345)

Mr. Chomiak: Madam Speaker, will the minister confirm that, after the government pays off the \$43 million in hospital debt that they are using to bribe the hospitals to join the regional health authority, after they pay off the \$2 million to \$5 million in salaries to the executives of the regional health authorities, and after they put in some of the \$60 million additional computer money that is supposed to go to the Winnipeg Health Authority, we will in fact see less spending on patient care this year than we did last year?

Mr. Praznik: Madam Speaker, here we see it again. The New Democratic Party said we are for the old delivery system of health care. We want to have every hospital govern their own affairs. We want no central co-ordination. We want no ability to administer things centrally so we can get better use. We just want the old system with all of its waste, including the expenditure of some \$2.5 million a year or so ago subsidizing cafeterias. That is their choice.

All across this country, planners in health care have recognized the benefit of bringing together our system in regional systems. As the Winnipeg Hospital Authority takes over, as they get into their budgets in a way that they have not been able to do until they are actually operational, I can tell you, if we need additional resources throughout this year to meet the legitimate health needs of Manitobans, our Treasury Board has always been there. I have no reason to expect that they will not be there in the future.

Misericordia General Hospital Public Consultations

Ms. Jean Friesen (Wolseley): Madam Speaker, my questions are for the Minister of Health, and I do not need to remind the Minister of Health that part of my constituency is in an area of the deepest poverty in Manitoba, high unemployment, no cars, no phones, increasingly poor nutrition and serious health issues. Yet, it is their institution, the Misericordia Hospital, which since 1990 has been consistently stripped of its assets by this government.

What my constituents are asking today, and I put this to the minister: could he tell us why this latest round of asset-stripping at the Misericordia has occurred without any community consultation, without a health or demographic profile, and without any public assessment of the needs of that community?

Hon. Darren Praznik (Minister of Health): Madam Speaker, I do not believe that is in fact the case. The sisters of Misericordia are the owners of that facility who we have been in negotiations with about the role of that facility for a number of years. In fact, I think even discussions with them and their future role go back some 20 years in this province through various governments, but more recently, when I met with the sisters of Misericordia, I believe it was in the middle of October, and with the Archbishop of Winnipeg, Archbishop Wall, to discuss the future of that facility, there were two points that they made very clearly, that having a 24-hour primary care urgency facility to meet the needs of the people of the Wolseley area was absolutely essential, and we agreed to that. Secondly, having a number of ambulatory programs based at that facility that would be available not only to the people of Wolseley but to the people of Winnipeg and indeed Manitoba in some cases made eminently good sense. Those have been accounted for within this proposal, and I can tell you the sisters of Misericordia feel very strongly about continuing to deliver those programs, including post and prenatal care to people in that area. We will ensure that they are able to do that.

Ms. Friesen: Madam Speaker, could the minister tell us how the government anticipates how he can explain exactly how one less intensive care unit, 180 fewer surgical beds in our system and less emergency service—not more—at the Misericordia Hospital is actually going to improve the prospects for the people of Winnipeg and the province of Manitoba? How is it going to affect those people lying on the gurneys in the hallway and those people who are on those endless waiting lists across the province?

Mr. Praznik: Madam Speaker, I will tell the member, because part of this plan builds 280 brand-new, long-term care beds in the city of Winnipeg. Every one of those beds will help to take the pressure off our acute care system, and a full primary health clinic with 24-hour service at an urgency capacity starts to take the

ambulatory side of our emergency rooms and starts to move it to clinics. That takes pressure off our emergency services, which is something we have all talked about for years, and we are starting to deliver. The member at least admits it is the right thing to do.

Madam Speaker, if you look at our plan in Manitoba, we are one of the few major centres in all of Canada, including New Democratic Party provinces that have closed major hospitals in their downtown area. We have not closed the hospital; we have converted it to meet the needs of our citizens into the next century.

* (1350)

Ms. Friesen: Could the minister finally explain why he has chosen to take the serious step of fragmenting patient care in ophthalmology and in breast care procedures at the Misericordia Hospital simply in order to meet the broken election promises of his government?

Mr. Praznik: Madam Speaker, one very important step in how we administer and plan the delivery of services has taken place in the last year. With the appointment of the Winnipeg Hospital Authority, particularly the appointment of Dr. Brian Postl who has put in place the various teams, they look at these issues and one thing we did in this in our discussions with the Misericordia Hospital is we asked our planners, many of them medical practitioners in place in that system who work in it every day, about how best to reorganize that system. Those decisions, that part of the planning, we wanted to ensure that they were doing and they were handling and they were making those decisions from a system-wide basis.

As the local MLA for that area, I would be delighted to invite her to meet with Dr. Brian Postl. We would be prepared to arrange that to discuss those particular programs with him, because it was he and his design teams, as should happen, who developed many of these particular plans.

Health Care System Funding

Mr. Leonard Evans (Brandon East): Madam Speaker, I have a question for the Minister of Finance,

who in this budget misled Manitobans to think that his government would be spending an additional hundred million on health care instead of in reality recognizing that 93 million had been put into the budget base previously by special warrant. Included in the so-called hundred million initiative is \$10 million for medical equipment, which the CEO of the Brandon Health Authority stated in the Brandon Sun that the \$10 million is not new money and that \$3 million from last year was rolled into the same \$3 million of this year. He is rather polite. He refers to it as a bit of artistry.

Madam Speaker: Order, please. I am sure the honourable member has a question.

Mr. Leonard Evans: Will the minister now admit that he has not put a hundred million dollars of new money into the health care budget but only an inadequate, paltry \$7 million?

Hon. Eric Stefanson (Minister of Finance): Madam Speaker, no, I will admit no such thing. I had the privilege this morning to be in the city of Brandon and to meet with many people from all of the different organizations in that community and surrounding community. I met with the very individual that the member for Brandon East is quoting from in that article, and that individual now very clearly understands that the \$10 million for medical equipment is over and above the hundred million dollars that has been provided in this budget. So it is not only a hundred-million-dollar increase year over year in terms of the budgeted amount for health care here in Manitoba, it is an additional \$10 million for technological equipment needs throughout our health care system.

As the Minister of Health (Mr. Praznik) has clearly explained, Madam Speaker, and members opposite seem to have difficulty understanding, during this year we had some health care needs, and when we had them we put the money in place. We do not wait. We put the money in place when it is needed, and we are keeping that money in place as we move forward into 1998, building it into the base budgets for our health care system, for our home care system, for our personal care homes, and the list goes on and on—a hundred million dollars more in the health care system in 1998.

Madam Speaker: The honourable member for Brandon East, with a supplementary question.

Mr. Leonard Evans: Madam Speaker, will the Minister of Finance admit that the spending budget in health is being artificially increased by including \$14.4 million for the Brandon Mental Health Centre, which is incidentally more than last year, when there are practically no patients left, nearly all the employees are gone and when the Brandon Mental Health Centre is going to be closed for good at the end of July? Will the minister now admit that his health care Estimates are wrongfully inflated by not removing \$14 million allocated for a soon-to-be-nonexistent Brandon Mental Health Centre?

Mr. Stefanson: No, Madam Speaker, again I will admit no such thing. Those resources have been provided both for the transition at the Brandon Mental Health facility and for the ongoing needs in that whole Westman area as it relates to mental health care reform. It is pretty fundamental. The resources are there, and they will be put to use in that region.

Mr. Leonard Evans: It is a strange way of accounting for expenditures—

Madam Speaker: Order, please. The honourable member for Brandon East was recognized for a final supplementary question.

* (1355)

Mr. Leonard Evans: Madam Speaker, will the Minister of Finance acknowledge that what I consider to be only \$7 million of new money for health care in this budget will not restore the \$6 million that had been cut from the Brandon General Hospital over the five years, which according to the government-appointed CEO, Mr. Earl Backman, these cuts have been excessive? Those are his own words in the Brandon Sun. Will the minister admit that the budget will not address the serious problem of shortfall of the funding of the Brandon General Hospital?

Mr. Stefanson: Again, Madam Speaker, I will admit no such thing. Resources have been provided and set aside in '97-98 to deal with some of the requirements of some of the health care facilities. Resources are being

built into the budget for 1998, moving forward again in terms of meeting the needs of our hospitals and other health care facilities.

I want to remind the member for Brandon East, in case he is not aware, today we are spending \$600 million more on health care in this province than we did 10 years ago. That is a 45 percent increase over that 10-year period, a significant commitment and additional resources provided for the health care needs of Manitobans. We spend almost 35 percent of our budget on health care, the second most of any province in Canada. We spend \$1,700 per man, woman and child in Manitoba, the third highest in all of Canada. That is a strong commitment to health care here in our province.

Education System Funding

Mr. Kevin Lamoureux (Inkster): Madam Speaker, my question is also for the Minister of Finance. What we have seen over the years is the continual reliance on the financing of public education through the property tax as opposed to general revenues. We have seen freezes; we have seen decreases. This year there is somewhat of an increase, but it has to be a huge disappointment for those who are concerned about the future of our public education.

My question to the Minister of Finance: has this government any targets or goals whatsoever to address the need of properly financing the public education system in the province of Manitoba?

Hon. Eric Stefanson (Minister of Finance): Again, Madam Speaker, in terms of education, in total in our 1998 budget, education is up by almost \$50 million. Support for K to Grade 12 is up on the school year by in excess of \$16 million, 2.2 percent. That is a reasonable commitment in this budget year to education here in our province.

The member for Inkster and I have had this discussion before. He is suggesting potentially to shift away from funding some of education on the property tax to something else. I ask him: where is he going to provide that funding from? Is he going to increase the sales tax? Is he going to increase personal income

taxes? What is he suggesting, and where is he suggesting those resources come from? He has never given me an answer to that very point.

Mr. Lamoureux: Madam Speaker, generally speaking, the opposition asks the questions and the ministers answer the question.

Having said that, my question to the Minister of Finance is to ask him specifically: does the government have any sorts of targets or goals in terms of trying to achieve more of the reliance on funding public education through general revenue, as opposed to property tax which he knows is a very regressive form of taxation in financing of education? Does he have any goals or targets?

Mr. Stefanson: Madam Speaker, I know how the process works. I was just challenging the member for Inkster to try to come up with some solutions and alternatives for a change, which he still refuses to do.

I think I have to repeat myself for the benefit of the member for Inkster. In this particular budget, there are \$16 million more for public education, K to 12, almost \$50 million for education in total here in this budget, an increase of about 4.5 percent for education funding in 1998. That is a significant increase and significant support for education here in our province in this year.

* (1400)

Mr. Lamoureux: Madam Speaker, I would ask the minister that if in fact he is not aware of how this issue can be addressed, will he at least then agree to have some people get together to come up with some recommendations. I would be more than happy to provide the Minister of Finance, especially if the Chamber is able to give leave, to tell him some ideas that I have in terms of properly financing education, because this government has failed in its attempt to properly finance public education. Will the Minister of Finance commit to the need to address the inequities of how public education is being financed in the province of Manitoba?

Mr. Stefanson: Madam Speaker, I certainly will wait patiently for the recommendations from the member for Inkster.

But again I think our record shows over these many budgets, we have a significant commitment to education, to our K to 12 education, with the amount of funding that has been provided over these many years, significant ongoing commitments to the K to 12 education, in this budget alone in excess of \$16 million, additional funding for early literacy programs, additional funding for technology, a series of initiatives announced by the Minister of Education (Mrs. McIntosh) to deal with public education, showing, as I say, the significant support for public education from our government in our 1998 budget.

Health Care System Funding

Mr. Tim Sale (Crescentwood): Madam Speaker, it has to be said. This province, this government has now closed what was Manitoba's third-largest hospital until they started tearing it apart in 1990, '91, '92, '93. They have closed a hospital that had 404 acute care beds as recently as four and five years ago. They have closed that acute care hospital.

Madam Speaker, my question to the Finance minister: will the Finance minister confirm that the \$93.6 million of his added health care spending by special warrant announced in the third-quarter spending will show up finally in revised Main Estimates in '97-98 budget, and it will then prove very clearly for him and for everybody else that '98-99 has but 6.4 million new dollars for health care?

Hon. Eric Stefanson (Minister of Finance): Madam Speaker, the members opposite, on every issue it seems they try to have things both ways. We have already indicated budget over budget a hundred million dollars more for health care, not counting the additional \$10 million for additional equipment needs in our health care system as asked earlier, but as the Minister of Health (Mr. Praznik) has said, there are some needs throughout 1997-98. As those needs evolve, we have been dedicating resources to them. We have been dedicating resources to the hospital program. We have been dedicating resources to our Home Care program because we probably have the best Home Care program in all of Canada.

Those amounts, Madam Speaker, will be built into the base funding for those very important services in

1998, additional money built into our hospital program, built into our Home Care program, built into our Personal Care Home Program. I cannot understand why the members opposite cannot fundamentally understand that those resources, new resources are being dedicated into the budget and being provided for those very important areas, very fundamental. The only people that do not seem able to comprehend that are members opposite.

Mr. Sale: Madam Speaker, has the minister then confirmed that when Public Accounts are tabled later this fall, his Public Accounts, they will show that his new budget adds only \$6.4 million or one-third of 1 percent to already-announced health spending levels announced in December as \$70 million, announced in March as an additional \$93 million, but for this new budget \$6.4 million, one-third of 1 percent? Is that what Public Accounts, Volume 1, will show when you table it, Mr. Finance Minister?

Mr. Stefanson: Madam Speaker, as we have indicated during both our second and third quarter in 1997-98, we are going to spend more money in health care than we budgeted, and that is certainly not something we are ashamed of. There have been needs in home care: we step up and we provide the resources to meet the need. There are needs in the hospital program: we provide the resources to meet the need. We do not do it on a one-time-only basis. We build it into the base core funding for all of those organizations moving forward so that they can continue to provide quality health care in our hospital system, in our personal care home, in our home care system.

So they are not one-time adjustments. They are amounts that are being built into the base core funding on an ongoing basis for the quality health care we all want and need here in Manitoba.

Mr. Sale: Madam Speaker, will the Finance minister also confirm, now that he has confirmed there will only be \$6.4 million new money in '98-99, that at the end of the third quarter his government, far from putting more money in as new needs had arisen, was in fact \$15 million under his budget, his old budget? So where is this great commitment to health care? Only 6.4 for next year and 15 million under budget to the end of the third quarter. Where is the big commitment?

Mr. Stefanson: First of all, Madam Speaker, I do not accept any of the preamble of the member for Crescentwood. What the 1997-98 Public Accounts will show is that since 1998 there will be approximately \$600 million of additional money spent in our health care system here in Manitoba. What our 1998 budget shows is in 1998 we are budgeting a hundred million dollars more than we did last year, and that money will be provided in all of the needs in health care in our hospitals, in our personal care homes, in our home care system.

Let us just look at our home care system alone where today we are going to be spending \$123 million compared to about \$41 million back in 1987-88, triple what was spent back then, meeting the health care needs of Manitobans.

Aboriginal Justice Inquiry Report Implementation Strategy

Mr. Eric Robinson (Rupert's Land): Today is of course the 10th anniversary of the shooting of J. J. Harper, and today our thoughts go out to his widow Lois and his family members. Of course, Mr. Harper was at that time the executive director of the Island Lake Tribal Council and one of our foremost leaders in the province of Manitoba in the aboriginal community.

In the absence of the Minister of Justice (Mr. Toews), I want to ask the Premier as the First Minister in this province what this government has done with respect to the Aboriginal Justice Inquiry and what plans it has so we ensure that such incidents as the shooting death of J.J. Harper do not happen again.

Hon. Gary Filmon (Premier): I thank the honourable member for his question and join him in expressing our condolences and our continued sympathies to the family of J.J. Harper.

Madam Speaker, our government has implemented various initiatives and programs in response to the spirit and the intent of the Aboriginal Justice Inquiry recommendations, and our government will continue to alter existing facilities and services to meet the needs of aboriginal people. Some of the initiatives which we support and fund include aboriginal policing in Manitoba, aboriginal court workers who provide

service to aboriginal people involved in the court process, urban sports camps, Choices Youth Program, crime prevention programs, the Hollow Water First Nation program which provides a comprehensive response to sexual abuse in First Nations communities, the aboriginal diversion program, healing circles, restorative justice measures for aboriginal offenders, many other programs that flow from recommendations of the Aboriginal Justice Inquiry which have been obviously referred to many times in discussions in this Legislature.

* (1410)

Mr. Robinson: Many of the initiatives that the Premier just talked about are pre-AJI initiatives, things that were happening and viewed as models by the Aboriginal Justice Inquiry.

I also want to point to the fact that the Minister of Justice (Mr. Toews) is quoted in today's Winnipeg Free Press as saying that he cannot point to anything specific relating to the Aboriginal Justice Inquiry that this government has adopted. I would like to ask the Premier to provide any details with respect to any discussions that this government has had with other levels of government, including the city and the federal governments, in implementing the main aspects of the AJI.

Mr. Filmon: Madam Speaker, I think that there are articles in today's newspaper and yesterday's newspaper that indicate many of the changes that have taken place among our law enforcement agencies in terms of recruitment, in terms of sensitivity training and all of those issues having to do with the manner in which they deal with aboriginal people in the course of their everyday operations as police services. Those are all positive initiatives and steps carried forward, ones that we not only support but contribute to financially. There is a whole list of initiatives that has been catalogued here in this House by previous Justice ministers that involves responses to the various categories of recommendations that are within the jurisdiction and control of the provincial government. I know that they have been acted on. I think that is the kind of comprehensive question that ought to be discussed in the Estimates process so they can go over line by line, initiative by initiative the various things that are already in process.

Justice System Incarceration Rates—Aboriginals

Mr. Eric Robinson (Rupert's Land): I want to ask the Premier if he believes that the justice system is now no longer failing aboriginal people on a massive scale as the AJI pointed out, and if so, can he explain why incarceration rates have increased amongst aboriginal people? Also, street gangs were not an issue during the findings of the AJI. I am wondering if the Premier does feel that this system, the nonaboriginal system, is no longer failing aboriginal people.

Hon. Gary Filmon (Premier): Madam Speaker, because we have not solved many of the problems and challenges with respect to the relationship between aboriginal people and the justice system in Manitoba does not mean that we ought to stop trying or that we ought to make conclusions that (a) we have succeeded or (b) we have failed. I think what is important is people's awareness of the need to continue working to continue developing new initiatives.

We talked, even in the recent throne speech, about diversion of aboriginal peoples, and other systems that are not normally practised within our justice system are more appropriate for dealing with aboriginal people, that the investments that we make even in urban sports camps, northern sports camps for aboriginal people are designed to try and provide them with positive, healthy alternatives to a life of crime, and all the various initiatives with respect to youth gangs and so on. Many of the issues that we face today continue to evolve and continue to be the product of new initiatives. We try some things to address what we see as the major challenges; some of them work and some of them do not. That does not mean we should stop trying.

Madam Speaker: Time for Oral Questions has expired.

MEMBERS' STATEMENTS

International Women's Day

Mrs. Shirley Render (St. Vital): Madam Speaker, every year on March 8 hundreds and thousands of women and men around the world gather for International Women's Day to celebrate women's

achievements and renew the commitment to the challenges that lie ahead. As most of you probably know, International Women's Day had its beginnings in 1908 with the strike by the women garment workers in New York City protesting unsafe, overcrowded working conditions. Their cry was for bread and roses, bread symbolizing economic security for women and their families and roses symbolizing a better quality of life.

Our government has moved on many fronts to enhance the quality of women's lives. We have taken a comprehensive approach to dealing with violence against women. We have one of the best set of services for abused women in the country. Most recently, Manitoba commissioned the Lavoie inquiry which was released last August, and in response to the report, government announced an additional \$1.9 million in new funding to help Manitoba families dealing with the tragedy of domestic violence. Our province-wide Keeping Safe at Work campaign, which was launched in the fall of 1996 through the Women's Directorate in partnership with CIBC and the police services, continues to be in high demand. To assist women in becoming financially secure, the Women's Directorate continues to administer the Training for Tomorrow Scholarship Awards Program. This is a program designed to encourage women to enter high-skills training in two-year diploma courses in math-, science- and technology-related areas. To date, \$1,000 scholarships have been awarded to over 140 students. These are all women students of course.

This year, in recognition of International Women's Day, Premier Gary Filmon and the Honourable Rosemary Vodrey hosted a reception honouring International Women's Day. This year's theme emphasized the importance of good health to today's busy women.

Manitoba women have always been in the forefront of change in our country, and I hope that we will continue to work together. Thank you, Madam Speaker.

Ms. Diane McGifford (Osborne): Madam Speaker, I was pleased yesterday to join the community in celebrating International Women's Day. Events opened at the Legislature as Mae Louise Campbell and

Daughters of the Dream Drum initiated the celebration with words and music. Mae Louise Campbell said that the Earth Mother, like all women who walk this earth, is suffering and in need of healing. She told us that drumming reflects the heartbeat of Mother Earth and was given to women who gifted it to men and now she told us women are drumming again. Her final words: keep on drumming and dreaming and envisioning peace and unity.

International Women's Day dates back to the 1900s when women textile workers in New York City went on strike to protest their wages and working conditions. Since 1904, March 8 is internationally recognized as International Women's Day. International Women's Day is closely aligned with labour and the labour movement, with blue-collar working women, often the labouring poor.

These were the very groups who had neither the stomach nor the time to participate in the minister's March 5 sanitized version of International Women's Day. In the last issue of *About Women*, the minister advises women "not to climb the hill before you come to it." The problem is that this minister does not see that there are hills to climb; that is, women continue to lack services, continue to be silenced, continue in many cases to live lives of drudgery and dire poverty. I direct the minister to the International Women's Day anthem, *Bread and Roses*: "Our lives shall not be sweated from birth until life closes;/Hearts starve as well as bodies; give us bread but give us roses!" Maybe next year the minister will get it right. Maybe she will not have the temerity to hold an annual event advocating health and well-being while the sick languish in hospital hallways. Maybe she will offer our women both bread and roses.

* (1420)

MTS Manitoba Winter Games

Mr. Edward Helwer (Gimli): Madam Speaker, this past week the communities of Gimli, Arborg, Winnipeg Beach and Selkirk played host to another very successful edition of the MTS Manitoba Winter Games. As the MLA for the Gimli constituency, it was a great pleasure to have seen first-hand the amount of effort the organizers, the athletes and coaches have put into making these games fun and exciting for all involved.

Approximately 1,600 athletes, coaches and volunteers took part in the MTS Winter Games, which represent the largest continuing multisport competition ever held in Manitoba.

I know that all the visitors and the athletes were overwhelmed by the hospitality and good cheer that they experienced in the Interlake, and in keeping with its roots, Gimli decided to honour the spirit and the vision of the Vikings, who were the ancestors of the town's Icelandic pioneers. As such, this version of the Winter Games was dubbed the Viking Games, and the Vikings came along with the athletes, coaches and volunteers who gathered for the games, demonstrated mutual qualities of drive, determination and a sense of commitment. So athletes of all ages competed for medals in a variety of sports ranging from curling, hockey, ringette, badminton and bowling. The athletes competed for their own personal sense of accomplishment, and these games encouraged the physical, mental and social development of the athletes and the spirit of fair play and the satisfaction of hard work and determination.

The athletes should feel proud of their achievements in making it to Gimli. Family, friends and coaches should feel proud of the role that they played in encouraging these fine athletes to strive for excellence, and the countless volunteers and the regional games organizers from communities across Manitoba should take pride in the gigantic roles that they have played in supporting amateur sport in Manitoba. Once again, I just want to congratulate all the games' organizers for their hard work in bringing the games to Gimli and area and for helping reinforce the Interlake's well-deserved reputation as a sports and recreation destination.

Aboriginal Justice Inquiry

Mr. Eric Robinson (Rupertsland): Madam Speaker, I, too, would like to make a statement. As I said earlier, today is the 10th anniversary of the death of J. J. Harper, and it is quite troubling that this government has not fully acted on the recommendations of the Aboriginal Justice Inquiry. This government, in throne speeches or provincial budgets, does not even mention the AJI. They still have a Justice Initiatives line in the budget but have consistently refused to detail what this money is spent on.

The shooting of Mr. Harper rightly outraged residents of Winnipeg and the aboriginal community across this province, and within weeks the AJI was launched to investigate this death and, of course, the death of Helen Betty Osborne in 1971. Over a thousand Manitobans made presentations to the commission judges, and the judges travelled to some 36 communities of which 20 were accessible only by winter road or air travel. The judges concluded that the justice system had failed aboriginal people on a massive scale and released more than 300 recommendations for the province, the city and the federal governments to consider. Only the City of Winnipeg publicly committed itself to any detailed action, and the number of Winnipeg aboriginal police officers today is almost 100 as compared to just nine at the time of J.J. Harper's death.

This government has mainly relied on announcing continued funding, Madam Speaker, for pilot projects that were in operation prior to the AJI and has forgotten about J.J. Harper. Ten years after his death, there are no changes to the justice system. On the weekend—and I said this earlier, Madam Speaker—the Minister of Justice (Mr. Toews) told a reporter that he could not point to any specific recommendation that has been adopted. I would like to further say that the province has paid lip service to the recommendations concerning the J.J. Harper inquiry itself, and it appears that the province continues to allow police forces to investigate themselves, despite the fact that this was a major recommendation of the Harper report.

Ten years ago J.J. Harper died. It is all up to us now as legislators to see that he did not die in vain, and I recall the Deputy Premier saying that the report would not become a doorstop for somebody's office. Thank you.

Adult Literacy Programs

Mr. Peter Dyck (Pembina): Madam Speaker, last week 25 adult learners from the Pembina Valley Learning Centre, an adult literacy group based in my constituency, along with another 150 adult learners, visited the Legislature. The reason behind their visit was to make a presentation of 275 thank-you letters to our Premier (Mr. Filmon) acknowledging our government's commitment to addressing adult literacy.

The Filmon government has increased funding by \$100,000 for 1997-98, fulfilling a promise made by our Premier in 1995 to provide an additional \$100,000 of support to the literacy initiatives over a five-year period. The issue of literacy is one that impacts not only the individual but all of society in terms of lost potential. Literacy is defined as, and I quote, a person's ability to understand and use printed information to achieve one's goal and to develop one's knowledge and potential at home, at work and in the community.

As I spoke to the people and heard their stories, I was struck by the profound impact increased literacy has made to their lives. One student said, and I quote, when I first came here I could not speak any English, and I could not read. If the children brought homework home, I had to call someone else to help them. Now I can do most of it myself.

Madam Speaker, it is these people and their personal stories that ensure our common success. Thank you very much.

ORDERS OF THE DAY

BUDGET DEBATE (Second Day of Debate)

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, speaking to the budget of 1998-99, I have to say that after the Tories and the Filmon Team have starved health care, education, the future of our children and aboriginal people in this province, I thought a pre-election budget was going to have a lot more real good news for the people of this province.

We actually expected that after three years of famine here in the province of Manitoba under the Filmon agenda, for their own political reasons, if no other, they would have invested money, real money, into health care, into education, into our children and into First Nations here in Manitoba. They use words like spreading the benefits of the balanced budget around Manitoba. We actually believe that the only things that they are spreading in this budget are cynicism and deceit in terms of the priorities they have not announced and the commitments that they have made in the budget. When we look at the reality of the budget and compare it to the words of the budget, we

see quite a different story for the people of this province.

Madam Speaker, the Tories had their five spin doctors out in the hallways on Friday trying to convince people that this was new money for health care, new money for children, real money for education and they really did care about aboriginal people and First Nations of this province, but I have always had more faith in the real people of the province and in the real programs that eventually the people will feel. That is why I know that when the public is able to sift through the words of members opposite and understand the deeds that they will see in this budget, they will again see the evil of the government opposite and they will get ready to replace them in the election campaign, which I expect to be shortly. They will be ready to replace the government across the way, the tired, out-of-touch and arrogant group across the way, with a new group of people with energy, ideas and commitment to working for more people than just the privileged few.

Madam Speaker, look at children. I raised the issue three years ago about what you had done to children in your previous budgets. This government uses children time and time again in their budget address and in their speeches and in their words, but where is the 19 percent in babies food allowance that the Tories cut in 1995-96? Where is that money being reinstated for nutrition, for quality food, for quality of opportunity for babies under one year of age, which the Tories cut? You know, the Tories opposite like to talk about they are not as vicious and mean as the other Tories in Canada, they are not as mean as Ralph Klein or that they are not as vicious as Mike Harris.

You know what, Madam Speaker? If the truth be known and if the truth is revealed as we intend it to be, they will know that when it comes to people that cannot vote and cannot speak out, the poorest kids in our society, the babies under one year of age have been cut by this callous government and by callous Conservatives even more than the Conservatives in the province of Ontario and even more than the Conservatives in the province of Alberta.

Madam Speaker, what is the children's policy of this government when we see the budget of today? This government has clawed back the federal child tax

benefit in their budget. Instead of adding on programs, instead of looking at the healthy child program that we have proposed year after year after year to deal with prenatal care, to deal with nutrition, to deal with child care, to deal with kids and giving them an opportunity, to deal with the children's dental program, to have recreation, to have other programs that will make a difference, they have in fact done the opposite in the budget of 1998-99.

Madam Speaker, there is more money in increased grants to corporations. There are in fact more corporate welfare grants in this budget than there are grants to babies and children that need a helping hand and a future in Manitoba, and that is the real Tory agenda that we see here in the province of Manitoba.

Madam Speaker, there has been a small reduction in the amount of people on welfare in Manitoba. It is not nearly down to the levels when we were in office. In fact, I think the number of people on welfare is twice as high as when the New Democratic Party left office in 1988, but instead of taking some of that money—[interjection]

* (1430)

Madam Speaker: Order, please. The honourable Leader of the official opposition was recognized to speak, and this is not a time for debate between members. I would request that those members wishing to debate in that manner do so in the loge or outside the Chamber.

Mr. Doer: Thank you, Madam Speaker. I know members opposite want to heckle. The members opposite want to heckle.

An Honourable Member: Tell the truth.

Mr. Doer: When is the Speaker going to hold the Minister of Family Services to account?

Point of Order

Hon. Bonnie Mitchelson (Minister of Family Services): On a point of order, we just want the Leader of the Opposition to tell the truth in this Chamber.

Madam Speaker: Order, please. The honourable Minister of Family Services does not have a point of order, and I would remind—[interjection] Order, please. I would remind the honourable minister to pick and choose her words carefully.

* * *

Mr. Doer: Madam Speaker, as I said before, there are more money enhancements and tax breaks for their corporate friends in this budget than there are for the babies that they cut nutritional value by 19 percent, and if we have to listen to the Minister of Family Services or listen to David Northcott in Harvest or if we have to listen to the people in the Social Planning Council that are talking about the callous nature of this government or we have to listen to the Minister of Family Services, we will listen to the people on the front lines rather than Beaujolais Bonnie any day of the week.

We will listen to people that know what poverty means. We will listen to people that know how we can relieve poverty for our poorest babies in our society. We will not listen to the Tuxedo team opposite. We will listen to the real people of this province. I suggest to you, Madam Speaker, if the government wanted to do something—[interjection] The Premier again, the Premier again.

The Premier, who did not have the backbone to answer one question on health care in this Chamber, can rattle away in his seat without the Speaker of this Chamber calling the Premier to account. The absolute control that this Premier has in this Chamber is beyond belief, and we expect better in this Chamber from all members of this Chamber in terms of behaviour.

The Premier may not like it, but they had a small reduction in the caseload in social assistance in this budget. They could have reallocated some of those funds to the babies that they had cut back in 1995 and 1996. They could have taken the corporate tax break and put that back into people rather than into their friends. They could have looked at the tax increases they made in the past.

This is the government that now has the widest spread of sales tax in any province in Canada, according to the Canadian Federation of Independent

Business. This is a government that brought in a tax on babies' bottles, that talks about not raising taxes, and it went ahead and taxed babies' bottles here in the province of Manitoba. Why not remove that tax? The deficit was high in 1992-93. It was a record level of money.

Why not remove that tax as the alternative, as we have suggested in our alternative budget?

Madam Speaker, we have put forward a number of alternative proposals on taxation. The second alternative, besides removing the spread on the sales tax, as they have in Saskatchewan, a much narrower sales tax, was also to look at the property tax increases that this government has introduced directly with the change in property tax credits and indirectly through the massive cuts in public education and the massive changes in property taxes that education payers are paying.

If you want to look at the Tory legacy of tax increases, you will see some decreases, yes, in this budget, but you will see the increases every year, year after year after year in the area of property tax and as it compares to other communities and other provinces in Canada.

Madam Speaker, we know that, by introducing our alternative tax proposal, \$75 per family, that would be a fairer way of applying taxation in terms of taxation relief here in the province of Manitoba. Seventy-five dollars represents about a 7 percent reduction in property taxes in the community of St. Vital. It represents only a 1.5 percent reduction in property taxes perhaps on Wellington Crescent or a 2 percent reduction in property taxes in Tuxedo, but it may represent a 9 percent reduction of property taxes in Gladstone or Turtle Mountain or in Dauphin or in The Pas. So our alternatives in terms of tax reductions would have been much fairer in terms of dealing with the future of our province and the future of our families in their fairness.

Madam Speaker, we have also suggested that public education must be directly funded in a more appropriate way by this government with a long-term plan in education. As the member for Wolseley (Ms. Friesen) has pointed out just recently, the education system in

this province is just turn the tap on, turn the tap off, turn the tap on. They have no long-term vision in terms of where public education is going. Of course, with this group opposite, it is more in turning the tap off year after year. Turn the tap off, turn the tap off, turn the tap off, and then turn the tap on a little bit just before the election campaign without any plan or any idea of where we are going. We have toll gates, virtual toll gates on our gyms. We have toll gates on extracurricular activity. Kids cannot get involved in programs for the future. I believe that we do not have a plan in education or public education. We have, as the member for Wolseley has said, an on-and-off of a tap without any idea of where we are going.

Oh, sure, there is going to be more money for bureaucrats and curriculum development in the Department of Education, but does this mean we are going to get a lot more blue books coming out week after week, contradiction after contradiction in terms of public education? What teachers need, what parents need, what the communities need is more appropriate funding. The economy grew by about 3.8 percent last year. Why not increase the public education budget by the growth in the economy so that we can at least start putting into our education system some of the massive resources that have been cut back? That would have represented a much more significant increase in public education. We would have had lower property taxes. We would have had more modernization of our education system. We would have had greater support, particularly in earlier grades, for our children, and we would have our schools having opportunities to have a part of the future of Manitoba through an economic and education strategy that makes sense.

Of course, Madam Speaker, we do not see that from members opposite. We see political tactics only in their education grants, cuts after an election, a little bit of increase before an election. They do not believe in a future of a high-skilled economy. They believe in a future of a low-wage economy, and that is why we will not see the kind of vision that puts a high-skilled economy first until we replace the out-of-touch people opposite with a group of people that believes in a future of a high-skilled economy.

* (1440)

In the area of infrastructure in public education, again we see the government cutting back and cutting back and cutting back, and then they leak to the media and then leak to the public a great enhancement of education grants here in the province. Well, we know that the benign and direct neglect of this government opposite has meant a major capital deficit in terms of education, whether it is public education or post-secondary education in Manitoba. Madam Speaker, it does not matter to members opposite, it does not matter to this Premier, what that deficit means.

If you had a home that had a leaky roof, you would repair the roof now because you would not want to repair the walls later, and there you would not want to repair a rotten house two years from now. Now the Tories do not get this, because for three years they have put no money in the budget to repair the roofs at the university or repair the roofs at our public education system. They have put no money in, and the only roof that matters for members opposite is the roof of staying in government, not the roof over the top of our children. So we have cut after cut after cut after an election campaign and a little bit of enhancement prior to an election campaign. We would invest in capital for education right throughout the budgets, and we would have a much fairer way of dealing with the kids and the future of our province.

In the area of post-secondary education, Madam Speaker, we know that the government has graphs in their budget showing us behind B.C. in tuition rates and behind Quebec or ahead of B.C. and behind Quebec in terms of lower tuition fees. We think these charts are out-of-date; in fact, we know they are. We know that with the freeze in tuition fees in B.C., they now have a lower tuition rate. We know that Saskatchewan, we believe, have a lower tuition rate. We have gone from the second lowest tuition rate in Canada behind Quebec to going to the latter half of the pack. In terms of accessibility for the future of our children in post-secondary education, we will come back and go at your graphs, but we do not believe they are correct. We know, in fact, from students—some of whom are telling us that they are going to B.C.—that their tuition rates, even when you incorporate the clawed-back tax change that is, regrettably, in this budget, will be more comparable and more accessible in places like British Columbia, rather than what exists here in Manitoba.

In terms of apprenticeship programs—again, this is a government that has brought in the federal-provincial programs—the training programs are now in one budget line—and it remains to be seen whether we will even get close to the thousands of people who were in for apprenticeship programs when we were in government. You have cut back apprenticeship year after year after year. You had a study of it to have a user fee on apprenticeship programs that even the private sector is rejecting, let alone the labour sector. We know you are desperate to clip and cut together an apprenticeship program after nine or 10 years in office, and I just believe that these are just numbers in a budget that has no plan, no program.

When you announced the film program last year and a tax break for the film industry, unlike British Columbia where they did have a new apprenticeship program of the future, you had nothing in your budget in dealing with apprenticeships. Everywhere we see this government give a tax break, we never see it matched with future apprenticeship programs and training programs that can allow Manitoba children and Manitoba youth and Manitoba workers to have a long-term skill strategy in Manitoba.

Madam Speaker, this government, of course, puts out very selective statistics when it comes to the economy. They often accuse us of having very selective statistics back. Let me just say that there is good news and there is bad news in the economy today. We think in 1996 we finally saw economic growth in terms of job creation beyond the national average. In the early '90s right till '95, we were coming below the national average. Many of the years we were underperforming the rest of Canada both in terms of GDP and in terms of employment growth, and 1996 was a better year. We think, to some degree, that was very good in terms of having finally one year where we actually had employment growth. Now, one could argue it was the lower interest rates, one could argue it was the lower dollar, particularly with the manufacturing sector. We had some very good years in our commodity sector—mining, agriculture and other industries, and we are pleased when our neighbours have jobs. We are pleased when our neighbours' kids have opportunities. We are delighted when our own kids can stay in Manitoba instead of going to another province. We think there are lots of other things we could criticize the

government on, and we want to see economic optimism and we want to see opportunity in Manitoba.

There are also some very puzzling and challenging news for us on the economy, and 1997 really did disappoint us in terms of economic job growth, in terms of job growth here in Manitoba. We can use year-over-year stats or month-over-month stats. We can use seasonally adjusted stats. Whatever stats we use, 1997, we underperformed the national average for job growth and that has to be a concern. I believe that in Saskatchewan their job growth was about 17,000 new jobs in the province of Saskatchewan. In Alberta, it was double that or triple that, and Manitoba was third last in terms of job growth in Canada. Just giving us the hallelujah chorus in a budget about how great 1997 was does not change the fact that our job growth was about 1.5 percent in these so-called booming economic times. That is what the government is using. That is what some of the media are using, how great the economy is, and we also have to question why has our labour force decreased so dramatically. I was looking at the stats for the year-end. Most of the labour forces across Canada grew. Ours actually declined in terms of the number of people seeking work in Manitoba.

Now, it gave us a very low unemployment rate, and that is good, but a low unemployment rate when it is not achieved through economic growth in terms of job growth, when it is achieved by out-migration, members opposite should acknowledge the good news in 1996 and the very, very puzzling and negative challenges that we have in 1997. You cannot make the proper economic decisions and you cannot make the proper economic policies if you do not acknowledge the real facts here in Manitoba.

Why is Canada doing better than Manitoba? Why, when we read about western Canada leading the country, particularly prairie western Canada in 1997, are we so much below Saskatchewan in terms of increased employment and increased jobs in 1997? Why is Canada, as I say, doing better than Manitoba? Why is this, and why do the Minister of Finance (Mr. Stefanson) and the Premier (Mr. Filmon) not acknowledge it? Why do they not go to these so-called summits and tell the truth? Why do they not go to these places and say we had a good year last year but we are not picking up the same steam this year? What are we

going to do about it, Mr. and Mrs. Business People? How are we going to continue to grow more jobs? What are the strategies available to us to get more economic growth in Manitoba?

So I suggest to members opposite that if we have very stagnant economic growth and we also have the problem of having depressed real wages, and if you look at the fact that Manitoba is again below Canada in terms of real wages where we have seen a real wage decline, then we see why people we meet at the community clubs on the weekend when we take our kids to play soccer or take them to play hockey, why people on the weekend do not go running around saying, we are wonderful, we are great. They say we are a little worried about things. I have not had a pay raise for a number of years. My friend just got laid off. I thought things were turning around, but I am a little bit worried about what next year is going to bring and what it means to myself and my family and my community. That is why there is a discrepancy between those of us who actually attend meetings and go to sessions in our own communities or do real things with real people in our own communities versus some of the hype we see from members opposite and some of the hype we see that is not real to the real people of this province and the working people and their families.

Madam Speaker, I hope manufacturing continues to improve in Manitoba. I was with some workers of Flyer Industries the other day, on Saturday morning at a breakfast, and they were quite happy about what was happening at Flyer Industries. They actually think it is quite humorous that the Premier (Mr. Filmon), who criticized the deal that the former NDP government made with den Oudsten in terms of Flyer Industries, would be first in line to take credit for these positive job results, but we have seen that before. I think he criticized Limestone, then turned on the current to start the dam. We are kind of used to him—and General Electric, the deal we signed was one of the first job announcements we made. But the 1,200 workers at Flyer Industries know who negotiated the transition from the public company to the private company, and, more importantly, they know that we selected a company which we said at that time would build buses in a new niche market which, of course, it has, and build buses that I have been told by bus purchasers are the best buses in North America, particularly in terms

of the low platform and the access for seniors and disabled.

* (1450)

We are pleased to see the positive results of the federal announcement on Winnport. We are pleased to see some positive announcements on the dredging at Churchill, although we find the dredging at Churchill long overdue. As people have noted, it was kind of ironic, when the public owned the port there was no public money, but now that the private sector owns the port, there is all kinds of taxpayers' money to deal with the port. But we think it is a good announcement and we think we have major competition from the St. Lawrence Seaway and the province of Quebec in terms of shipping into the Arctic. We have a lot of contacts in our party that have good contacts in the Inuit area, in the Nunavut area, and could be of help to you opposite. We are trying to be part of the solution, our members for Rupertsland (Mr. Robinson) and Point Douglas (Mr. Hickes) and our member for Thompson (Mr. Ashton), as opposed to being opposed to those ideas, and we wish you well.

We also have some major challenges in agriculture, Madam Speaker. There is still no plan to deal with the hog planning. We have hog farms being proposed on Netley Creek without taking into any consideration the impact on the water tables in the Interlake area and the water in the Lake Winnipeg basin and the whitefish fishermen in that area.

It is one thing to announce the processing plants and have the good news of the processing plant, but this is five years now that we have no long-term sustainable plan on hog production and the sustainability of that production, where those hog barns should be located, why they should be located there, how foreign owners should operate those barns.

I suggest to the members opposite that the old values and the old systems of having people rely on each other as neighbours to deal with the kind of effluence that comes from these barns is gone. When you have people who own these barns that live in Korea or China or Japan or other places, when they are not even living and operating the farm in the same community, you do

not have the same kind of neighbourly values that took place and do take place in farming communities.

I suggest to members opposite that there is no leadership on the location of hog barns. There is no leadership on the sustainability of that industry and there is no leadership on how we are going to proceed in the future on this issue. If you put up a pig barn, it is okay with the Tories. It does not matter what your neighbours think and it does not matter what its impact is on the environment.

I say there is no greater threat to the hog industry in Manitoba than members opposite that do not want to admit there is a problem in the hog industry here in Manitoba. There is no greater threat, but the Premier (Mr. Filmon) will take the full fetal position that he takes with other issues and not take any leadership position on it.

I also wish all the producers well. I read the Laura Rance article this weekend about the decisions that people have to make in the farm economy about which crops to plant, how it affects your rotation. It is certainly consistent with what we have heard. Wheat prices are down. Other products are more questionable in terms of their rotation of the crops. The commodity markets are down in some of the areas in agriculture.

I heard this at the KAP convention just a couple of months ago when I had the honour of attending that convention, and I hear it from representatives of the NFU when I listened to their ideas on agricultural policy and suggestions.

Madam Speaker, we look forward to a plan from this government to deal with that situation. We have not heard anything in the budget, again, about the fact that commodity markets, wheat prices are down some 20 percent. We have heard about how great things were a couple of years ago, and we will applaud that. We are glad the commodity prices were ahead 20 years ago, but it almost sounds like members opposite, and this surprises me, the cabinet or Minister of Finance (Mr. Stefanson) has not listened to the concerns that farmers have right now going into this crop year.

I am sure the members opposite have heard this, but I read this budget speech and it does not sound like the

farmers I am listening to. It does not sound like the people we are listening to in terms of the challenges on prices and the challenges that they feel around the kitchen table.

So I wish the producers well in the decisions they have to make. I think it must be very tough to have all that money tied up with machinery and all the input costs that are going up and all the challenges. We would have thought in this budget—I know there is a little bit more in Highways budget than last year—but, you know what, there is really no more money going into rural and northern communities than what we had in the federal-provincial infrastructure program.

So what I am really worried about, members opposite, if you had a choice again—I do not have any difficulty if all things are equal and all things are great with the economy—maybe it would have made more sense to invest in some of the alternative transportation methods as a future for our province. I know that members opposite—we thought that more money should be invested in health and education, but certainly some of that money perhaps from the down payment on the debt, half of which was built in the base, could we not have a better future in our province by looking at the future of our economy? Maybe some of that money should be part of a transition strategy, because we know that rail lines are being abandoned, elevators are being closed.

I say to members opposite, I do not see a rail line abandonment strategy in here like Saskatchewan. I do not see an alternative transportation strategy in here. I will join with them in condemning the federal government for not repaying the gasoline tax. At the municipal convention, I joined with the government opposite in condemning the federal government for not reinvesting the gasoline tax back in our roads and highways. I support them on that, but I think we have to look at a huge gorilla that we have in terms of transition and transportation, the absolute damage being conducted on our roads because of the changes in Crow and the changes in pooling and the changes in transportation. I do not see that in this budget. I look forward to speeches from members opposite if they are upset with this budget on that transportation side, or are they obviously satisfied by their silence in terms of what is going on?

So, Madam Speaker, we think some of the changes on the economic side are positive. The research and development proposals, we think, are good. We are glad the Crocus Fund is going to administer those changes. We think some of the other scientific research is positive. We have suggested in the past that we should in fact be looking at greater research and development out of the surplus from the various plans, GRIP and other programs, for research and development, and we are still way behind the province of Saskatchewan on agricultural research and development, even though there are a few baby steps forward in this budget in terms of Manitoba.

I mentioned the regions in terms of infrastructure. Suffice it to say that northern Manitoba needs capital for the highways, that northern Manitoba needs a long-term infrastructure strategy for its economic future. We need to look at taking some of the money that may be going for highways of convenience and look at vital transportation, whether it is in agriculture or whether it is in northern transportation. I suggest to members opposite that the first priority for the highways budget should be safe highways, and that is why many northern roads and remote roads should get the first priority. I think the second priority for highways and transportation should be as a transitional strategy to deal with the changing policies of the federal government on Crow and pooling, and I think the third strategy for highways should be convenience. All of us love to drive cars on four-lane highways, at the speed limit of course, but, Madam Speaker, perhaps those should be less of a priority than safety and transition in our economy.

We are in a very vital period of time. I recognize that it is not members opposite's fault, that it is the federal government's fault, but we think we have to find a way to deal with it because fed-bashing in this Chamber on highways and transportation dealing with pooling and Crow rate is not going to take away those frost pocks on our highways, those massive boils and those massive changes with the new weights; it is not going to put one inch of asphalt or concrete or whatever, sealcoat, on those highways; and it is not going to deal with the challenges we have.

Mr. Marcel Laurendeau, Deputy Speaker, in the Chair

* (1500)

Mr. Deputy Speaker, I thought it was rather ironic—I like the fact that the members opposite applauded Duff Roblin for the floodway, and I find it kind of ironic because Duff Roblin raised sales tax five percentage points. He spent a lot of money on community colleges; he spent a lot of money on education. In fact, under the Republican definitions that we see with the mentality of members opposite, Duff Roblin would have been cast by members opposite as a tax-and-spend kind of politician, so I am glad we are paying tribute to a person who, yes, he taxed, but, yes, he spent on long-term capital and, yes, he borrowed money for the floodway. In fact, Duff Roblin cancelled the pension contributions, the paid liability at that time, to put in money for the floodway. That is, of course, \$2 billion that members opposite had to put back into the debt reconciliation, but some of that money was used in a positive way.

Members opposite praised Duff Roblin, and I clapped when they said that they would, although members opposite are no Duff Roblins as far as we are concerned in terms of post-secondary education. They would not even classify as a Duff Roblin in dealing with the flood victims. We have seen the report dealing with flood victims. They would not even classify as people, with comments like, you choose to live in a flood plain, tough luck. If Duff Roblin had taken that position of choosing to live in a flood plain, tough luck, we would have never built the floodway, and that is why members opposite are no Duff Roblins when it comes to dealing with the future of this province.

I would have also thought, Mr. Deputy Speaker, that we should have paid tribute to Ed Schreyer. When we mentioned the fact that Manitoba is the only jurisdiction in Canada that returns a corporate and personal income tax back to municipalities, I was surprised that the member from Assiniboia or Sturgeon Creek—[interjection] Kirkfield Park, the member out west there in Dan MacKenzie's old area would not pay credit to Ed Schreyer. When he said we are the only province in Canada, why did he not say, thank you, Ed Schreyer, for bringing in that program? But he brushed it over. I think sometimes there are very little things the Americans do better than we do, but sometimes in a nonpartisan way they pay tribute to people that have come before them from all political parties.

It would not have been bad, while we are paying tribute to Duff Roblin who I clapped for, that we would have paid tribute not to Marcel Laurendeau but to Ed Schreyer. I do not think we could expect each other—we wish each other well on a personal level. We wish each other, challenge on a political level, but I think it is not a bad idea. We have had people, good people that have come before us from previous political parties that have left really good contributions to this province, and it is not a bad idea. We should not have Tories singling out Tories. New Democrats singling out New Democrats. I do not know, my good friend from Inkster, what we could do about the Liberals. I was not born then when they were still in office, but it is not a bad idea to pay tribute to some of the good ideas that come from previous government.

Mr. Deputy Speaker, as I said we think there is no new money for northern infrastructure. There is no new money for rural infrastructure, and there is really no new money for city infrastructure. It is really just a reallocation of the federal-provincial agreement. I guess they do not think we will notice these things, right? But, you know, we can read budgets and we understand what is in them. I would point out in many of our communities there is less money going in. When we were in office, we were investing in the Exchange District that now is going to get, I hope, world recognition in terms of its historical legacy.

We were involved in reinvesting in the Exchange District so we could have that historical legacy remembered in a place in our community that people like to visit. We were involved in the negotiations to restore The Forks area in a place that people could go to. I thought it was interesting when the curling bonspiel was being televised over the weekend. They took a vision of the NDP and the former federal Minister Jake Epp and put that on television as the meeting place here in Manitoba, a place where people all take their friends and relatives.

Mr. Deputy Speaker, what have we seen from members opposite in terms of an urban strategy since they have been elected? We have seen VLT machines in. We have seen a decrease in housing starts, and really the real symbol of members opposite in terms of strong Winnipeg is to tell Headingley that they are going to be able to buy water from the City of

Winnipeg at wholesale prices. They have absolutely no vision of how we can support Winnipeg and make it a stronger economic community where people can live in.

We are not suggesting for a moment that we should have perimeter vision, but we are saying that we have to have a growing and thriving Winnipeg. I think it is unconscionable that members opposite that used to be part of the gang of 18—in fact the Minister of Finance (Mr. Stefanson) used to be part of the secret society, the gang of 18. His colleague the Premier (Mr. Filmon) used to be part of the secret society. They used to meet in this little cabal to decide the future of Winnipeg, and they used to whine about the support of the NDP for the city.

We knew that we should not force them to sell water to land developers outside of the city of Winnipeg at the expense of the city of Winnipeg. It is only a matter of time before a group of men and women will come back to office, then we will have a strong Winnipeg in strong Manitoba as it is envisioned for the future in this province.

Mr. Deputy Speaker, the government has taken a couple of, again, baby steps, and I am quoting Kelly from the CFIB when I do this. I hate to do that but—no, I do not hate to do it. On one comment I agree with him. I am getting in trouble—but on one comment I agree with, on baby steps, particularly in the Department of Justice. We think the announcements that have been made before the budget, of course, on the money on domestic violence, on the Pedlar report long overdue, the Lavoie inquiry long overdue, was a good one. We will have to look and see whether they have reallocated the resources inside the Department of Justice. We will have to see whether they have cancelled some courts and added other courts. Is this really an add-on? Just a replacement? Are there really new resources in these programs or just kind of the fudging we always see in health care?

Mr. Deputy Speaker, we think those are positive announcements, but we have said before that this government should examine the whole Crown attorneys office. It should examine the organization of the Crown attorneys office. It should examine the resources of the Crown attorneys office, because case

after case we feel is not being dealt with in a proper way in terms of the public, and we do not believe it is the fault of the individual Crowns. We believe it is the fault of the members opposite by not having a review of their organization like Alberta and Saskatchewan have done.

We promise the people of Manitoba that we will have a more expedient and more effective justice system by reviewing the Crown attorneys office, as the member for St. Johns (Mr. Mackintosh) has pointed out, and putting in more resources to stop the court backlogs here in the province of Manitoba, particularly dealing with young offenders in Manitoba. We also commit ourselves to dealing with the causes of crime, unlike members opposite who slam jail doors. Remember that in the last election campaign. They slammed the jail doors in the last campaign. They did not tell us that the Premier (Mr. Filmon) was letting the weekend prisoners out of jail when he was slamming that jail door. They had not told us that they would let them out while he was slamming the door, or they had not told us it was dealing with the Saskatchewan Tory caucus. They like to talk about Saskatchewan, but slamming the door on 90 percent of the Tory caucus from Saskatchewan, good friends of the member opposite in terms of the people here. But we think it is unacceptable that we have no long-term preventative programs and no long-term strategies in dealing with the Crown office and the justice system.

You know, you cannot fool the people anymore. Your little photo opportunity in 1995, people know you have not done anything dealing with the growth of street gangs, the growth in violent crimes, the increase in car thefts. I mean, what do you do in car thefts? You blame the victim. You put the surtax on the victims in the Public Insurance Corporation. You are out of touch. You are out of touch with what is going on in communities. You are out of touch with what is going on with many of our communities across our province in terms of community safety.

You do not know what is going on. You look at polls and you put out words and you slam jail door cells, but you have a totally disastrous system in terms of preventing crime and putting in hope and opportunity. Every opportunity you have had to build bridges, you have bombed them. Every chance you have had to give

kids, youth and young people a chance in our communities, you have done the opposite. Student social allowance, New Careers, aboriginal friendship centres, programs dealing with Access programs, all the programs that made a little bit of difference and were set up by people like Ed Schreyer and Duff Roblin, you have cut and bombed away in terms of the future of this province.

So the few little steps in justice, we applaud. The few giant steps we have to make, we will have to make them because members opposite are not there. You are not there. You will have lots of Bonnie Staples' press releases out of the Premier's Office. You will have lots of little announcements being made. You will feign interest in what is going on, but you are out of touch. You are right out of touch to what is going on in our communities, and you are right out of touch with the safety and lack of safety people feel.

I think it will take a group of men and women that are in touch, that are living in places where their neighbours are quite concerned about their safety, to really do something about it, not just on the one side of being tough on crime but also to use the term that Tony Blair I think so appropriately used, being tough on the causes of crime. You have gone the opposite.

I heard a person the other day say to me, a senior citizen say to me, Tories breed crime, Tory policies breed crime. I think that senior citizen has got it right on. Oh, yes, that senior citizen wants more Crown attorneys for court backlogs, but they know that if you keep kicking kids in the teeth in terms of cuts you make in programs that eventually it is going to come back to bite you in terms of what it means to our communities and our safety.

* (1510)

Mr. Deputy Speaker, I want to talk just for a moment about a few other items in the budget dealing with the revenue side of this budget. We know that every year this government underestimates revenue and then, of course, has a higher surplus than what they project. I do not have any difficulty with the government being a little bit off one year on revenue projections, but to be off every year as a justification to cut health, education and to cut opportunities for children and to cut

aboriginal programs like Access I think is, quite frankly, publicly immoral in terms of what they are doing to the people of this province.

I think the people of this province deserve a group of people that will have honest numbers in their budget in terms of honest numbers on revenue, honest numbers on spending, honest numbers on deficit and debt, honest numbers in terms of its projections on a consistent year-over-year basis. Everything we said three years ago has come true about the revenues. Everything we said two years ago has come true. It remains to be seen if what we said last year will come true. You know, it is very difficult for anybody to make comments about what you would spend on a certain item like health care when you do not know whether you are dealing with the capital broken promise of 1995, whether you are dealing with—we predicted Wednesday of last week that we would be dealing with a false number because they would double count the special warrant into this year's budget, which, of course, you have, or you are dealing with real money or with real improvements to deal with the real crisis.

You may think that you can fool people by putting a hundred million dollars in your budget when it is only \$7 million more than last year, but you cannot fool them because they know. That is why the Premier (Mr. Filmon) sits on his hands in this Chamber. That is why he sits down. He knows that the people are very concerned about health care. He wants to make all the cuts, he gets to make all the cuts to health care beds and hospitals and nurses, but he does not want to be shown with blood on his hands for making all the decisions. So he sits down and he sits on his hands so people cannot see the responsibility and the accountability of the Premier.

Well, that worked when the Premier fired Don Orchard. People said, oh, maybe Mr. McCrae will be a kinder, gentler Health minister. Then they got Mr. McCrae, and he closed the hospital beds and he privatized home care and they said, oh, no. You know, it is not Mr. McCrae anymore, they have a third Minister of Health (Mr. Praznik). You know what people are saying to us out there? It is Filmon's health care system now. He is the one who cut the health care system, and he is the one we are going to cut after the next election campaign when the members opposite

have the nerve to do it. They have caught on that there has been one Premier and three ministers of Health through 10 years of broken promises. They have caught on.

So you can sit down and be little wimpy on health care in the budget in the questions we ask you. You can continue that strategy, and I am sure all your handlers have told you to have this Churchillian leadership there where you sit down and say nothing, but we are going to keep coming to you because that is what the people believe. They have seen three Health ministers. They know it is the 600-pound gorilla from Tuxedo that they have to worry about going into the next election, not his three little ministers of Health who come and go at the whim of the Premier. That is what we are going to go after as we go into the next period of time.

Mr. Deputy Speaker, it is a good thing members opposite, most of them, inherited their money. It is a good thing that most of them have married into money, because they talk about their business acumen, they talk about their business acumen. Can you name one business person across the way who has a business who would close down one warehouse for four years before he builds a new warehouse and still be in business? Now that is the Premier's health care plan. We will close down all the acute care beds in our hospitals. We will fire all the nurses. We will not put in the extended care and personal care beds. We will close the warehouses down, we will close the hospital beds down, we will put in nothing in its place, and then when something goes wrong they wonder what is going to happen. As I say, it is a good thing the member opposite inherited money, and it is a good thing that many of them over there are part of the lucky genes club in terms of their economic situation—[interjection] G-e-n-e-s. But you could not do—[interjection]

No, well, the Minister of Finance, would you close down a warehouse before you had a new one? You would not. Of course you would not. Would you close down your computer before you had new hardware, software, new adjustments? You would not, but in health care that is what you have done. You have closed it all down. You have broken all your promises, and you would go bankrupt if you were in business. I am surprised that members opposite do not understand

that you need a plan, you need resources, you need to put resources in place before you make changes in the other area. You did not do it, and that is why the Premier (Mr. Filmon) has broken his promises and that is why members opposite are squirming when they get health care questions.

Now, the Minister of Health (Mr. Praznik) has a new line, right. The NDP is asking these questions. You know, we are awful, we are terrible. We do not like patients in hallways for four days. We are old-think when we believe people should get elective surgery when they need it for their heart and cancer.

You know, I want to tell you what old-think is, and I do not know when the last time this Premier was in a hospital. But I was in a hospital a couple of weeks ago, and I want to show you the old way of doing things. They have little paper numbers on gurneys in the hallway because you, sir, have cut the beds and fired the nurses. That is the old way of doing things. That is the American way of doing things, and we are going to change it after we are elected after the next election, Mr. Deputy Speaker. They have a \$100-million computer, and they have gurneys in the hallways for four days with little numbers on them.

I do not know why members opposite—the member for St. Vital (Mrs. Render), how silent had she been in her caucus? The member for Riel (Mr. Newman), the member for Rossmere (Mr. Toews), they say nothing, they do nothing. They do not do anything about the situation. They do the hallelujah chorus while gurneys are in the hallway.

I say to members opposite, you are not going to last if you do not stand up for the people. We know that this budget has \$7 million in new money to deal with the real crisis in health care, and members opposite are not going to be able to fool people. A couple of weeks after the budget is over, you always get a bump on budgets. A couple of weeks after the budget bump is over when people know they are in the same crisis as they were two weeks ago, they will know who to call the cannibal in terms of the health care system in this province.

Look at the priorities of this government. More ADMs for Darren, more ADMs for the Minister of

Health (Mr. Praznik). How many ADMs does he have now? More CEOs at a quarter-million dollars a year. We have regional directors coming and going and retiring and getting severance pay. We have quarter-million-dollar CEOs here, quarter-million-dollar other directors over here.

We have a bureaucracy in health care, but also the Premier (Mr. Filmon) has increased the bureaucracy in the Treasury Board. Look at these geniuses in the Treasury Board that the Premier has, and he has increased their funding. This is the Treasury Board, along with the Minister of Finance (Mr. Stefanson) and the Premier that said we could save \$10 million by privatizing home care.

They came up with a plan to privatize all home care in the city of Winnipeg. They did not include the advisory council on health care. They did not include the advisory council on home care. They did not include their own research body. They did not include people dealing with the disabled. They did not include people dealing with the aged. They did not include anybody, Mr. Deputy Speaker, and these are the geniuses that they want to give more money to. The Premier is still sitting with his words that we would save \$10 million on home care privatization. The Minister of Health says we will save nothing.

We still have not heard from the Premier an apology in this House about his mistruth to the people of Manitoba when he said: we have numbers that show we will save \$10 million. We still have not heard from the Minister of Finance, who stood up in this House and said we would save \$10 million a year and a half ago or two years ago. His words are still on Hansard. I support the private home care system, he said. It will save \$10 million. So who is telling us the truth, the minister for health care or the Premier and his \$10-million numbers or the Minister of Finance?

We believe that the capital programs should have been put in place well before the changes in beds. We believe an elective surgery strategy should be put in place. We have proposed a diagnostic strategy so our people will not have to go to Grafton, North Dakota. We believe that the government should not have broken its promises on dealing with nursing homes. Look at the difference these homes could have made. The

Premier promised Lions Manor before the election. He froze it for three years after. The Premier promised Oakbank—there is still a sign out in Oakbank with the present Minister of Highways (Mr. Findlay) and the former Minister of Health. You know, there are little tumbleweeds blowing by the sign along with the broken promises, tumbleweeds broken by the words of the members opposite in Oakbank.

They promised a home in Hartney. They promised three years ago a home in The Pas. Who did this? It was the Premier. Does his word not, the Pinocchio Premier, mean anything to the members opposite? Does he not care if he broke his word? If he did not break his word, why does he not answer the questions about breaking his promise? We think that they can blame everybody they want. They built up a \$600-million slush fund at the same time they froze capital, and the public of Manitoba knows that and the people of this province know what you have done in terms of the future of this province.

* (1520)

We have come forward with a number of positive alternatives dealing with health care, dealing with education. We have put forward our alternatives with positive revenue. We are predicting about a \$200-million revenue increase based on 3 percent growth and revenues this year. We know the federal government's revenues will grow with the money in equalization; we know that they are flattened out in some of the other transfers. We know that the economy through bracket creep—it is kind of ironic in terms of some of the revenue items. The federal Liberals have really benefited from Brian Mulroney's GST that they promised to get rid of and the provincial Tories here have benefited from Brian Mulroney's bracket creep changes in deindexing health, the taxation revenue items here in Manitoba.

But we think honest governments require honest revenues so we can make honest decisions as a community together and make honest spending decisions. We have proposed a 3 percent increase in revenue. We have said that we would support in this year—we believe in good years we should pay down the debt, and we believe this is a good year and we should pay down the debt by the \$75 million in the budget,

although I would note, Mr. Deputy Speaker, that the members opposite have taken all the money from the telephone system, put it in the Fiscal Stabilization Fund and now have not transferred any more money to pay down the debt than what was there from the proceeds of the telephone system over the two years. A bit of hocus-pocus, hokum-pokum, or whatever—

An Honourable Member: Hocus-pocus.

Mr. Doer: Hocus-pocus, in terms of—I never used that term before—what they are doing. But we would have supported the \$75 million this year, and we would have put in the No. 1 priority; we would put in health care. Of course, the Minister of Finance (Mr. Stefanson) does not let us know what the No. 1 priority is because he spends our money on a poll, a \$50,000 poll. Then when the Ombudsman says he should release it, he is not abiding the law of this province, Mr. Deputy Speaker.

Of course, Mr. Deputy Speaker, this Finance minister and this Premier have not obeyed the law of this province before. They have already been cited by the Ombudsman for withholding information before the election on the sale of the Jets and the operating losses of the Jets. You know that is the second strike against them where—no wonder we cannot get a corrections policy from members opposite, if they will not follow the law themselves. If they break The Freedom of Information Act about the budget, how can we expect them to show leadership for our citizens to not break the law?

So we would ask the Minister of Finance to follow the law, release the poll, and then we can really check out what his questions were in November 1997, although I suggest with the crisis in '98 in February and March, he may find that health care crisis is much more of an acute situation because of the loss of acute care beds here in Manitoba. We believe the No. 1 priority is health care. We have suggested that new money is necessary for elective surgery, is necessary for the waiting list, is necessary for opening up beds that we have paid for.

You know I was in Rossmere the other day, and the member for Rossmere (Mr. Toews) may be right out of touch with his own constituency, and I suggest he is.

But those people were saying to us, have we not paid for those beds already? Why should my grandmother be in a hallway when she has paid for beds in St. Boniface Hospital? Why should my grandmother not have enough nurses to deal with her health care situation when they have paid for the training that is going away?

An Honourable Member: You squandered it away.

Mr. Doer: Even the member's brother does not agree with the health care cuts that he has made, and I have talked to Sid and what he feels about your members. Your own brother does not agree with you, Harry, so I would pick another way to heckle members opposite.

Mr. Deputy Speaker, we need a real strategy. The CEO of the Winnipeg Health Authority said we have no short-term or long-term plan. This Premier promised in 1990, in '91, in '92 and '93 he would have a plan. Then he said it was all Don Orchard's fault. Then he put in Jim McCrae, and Jim McCrae walked around with a little sweater and said, I will solve the health care; I am a warm and cuddly health care minister, not like this mean Don Orchard. And what did he do? He closed all the emergency wards and broke all his promises. Then the Premier said, oh, I cannot have him anymore; I got to have the debater from Lac du Bonnet in.

He is such a good debater that he did not know that he had closed 800 beds when he challenged the member for Kildonan (Mr. Chomiak) to open the beds. What kind of idiot do we have? I am sorry, I take that back; I apologize; I apologize and withdraw the comment. Mr. Deputy Speaker, what kind of thinking do we have when a Minister of Health says, where are the beds, after he has closed 800 beds? He is spending all his time reading his own headlines and reading his own clippings, but he is not aware that he had closed 1,300 acute-care beds in the last five or six years.

That is why we need positive alternatives dealing with health care and dealing with the future of our children. We have proposed an aboriginal health care strategy, dealing under our Healthy Child program. We have also proposed that the Healthy Child strategy be within the Education budget in terms of Access programs, New Career programs, apprenticeship programs and co-operative education programs.

We have proposed a justice system that not only is tough on crime but is tough on the causes of crime, and that is why we would reinstate the hope and opportunity for our young people. We have proposed a reduction in taxation that would deal with the increased taxes that have been made by members opposite. Reinstating the property tax credit of \$75 and \$150 for seniors, which is a much fairer tax proposal than members opposite brought forward, and next year we would take the sales tax base and go back to where it was in '93 when the Tories changed it to include babies' bottles.

We have proposed reallocations from our departments. We have proposed reallocations from staffing. We have proposed in our alternatives to deal with some of the corporate welfare tax breaks, some \$45 million by reducing half of those and looking at breaks for small business. We have proposed change in the infrastructure program and giving more priority for the safety of people in northern Manitoba. These are the alternatives that we have, Mr. Deputy Speaker: alternatives for health care, alternatives for education, post-secondary education, children, and First Nations people.

We believe in a government that should be building bridges of opportunities, not bombing them. We believe in a government that should have an economic vision for Manitoba that is not a low-wage economic vision as members opposite have. It is a high-skilled strategy for our future. We believe that a government must be governing our people for the privilege—not just for the privileged few, but for the majority of Manitobans who are hardworking and fair-minded. We believe that we should use the common sense of people when they say we should not pay for health care beds that we cannot get into; they know their own hard-earned tax dollars have been squandered away because Tories have cut their access to the beds that they have paid for.

I want to close on one other priority that we think is a shameful reflection on this government. Today is the 10th anniversary of the Aboriginal Justice Inquiry. Now we were proud to appoint the Aboriginal Justice Inquiry here in Manitoba. We were proud of the fact that Murray Sinclair, a First Nations judge, was appointed by us prior to our defeat in 1988. We were

proud of the fact that we worked with the member for The Pas (Mr. Lathlin) and other members of the First Nations to establish the AJI. Judge Sinclair and Judge Hamilton, we thought, did an excellent job on behalf of aboriginal people, not only in terms of the direct justice system but the social issues that aboriginal people faced, the housing issues, the economic issues and the justice issues that are tangential to those concerns.

We had a lot of optimism that the government opposite would bring forward an Aboriginal Justice Inquiry set of recommendations. In fact, I remember that the Minister of Justice said: Too long we have studied this problem and have done nothing. But, of course, the former Minister of Justice, the member for Brandon West (Mr. McCrae) and the Deputy Premier six months later told us that they would not move on recommendation No. 1, to establish a joint commission to work on the recommendations contained within the Aboriginal Justice Inquiry.

I want to say to this Chamber, to the people of Manitoba, that we are committed to the recommendations in the Aboriginal Justice Inquiry, and one of the first acts of office that we will take after the next election campaign is to implement recommendation No. 1, to establish a joint council and joint group to implement the Aboriginal Justice Inquiry. You could not even act on the first recommendation, and I think it is a government opposite that is bankrupt in terms of its moral commitment to First Nations people and the people of this province.

* (1530)

It is also worthy of note today, this being Commonwealth Day, and everybody is raising their glass to democracy right now and parliamentary democracy today, it is also worthy of noting that every member opposite, every member opposite, voted with the government to support the Speaker when she ruled that "racist" policies could not be used in this Chamber to describe any past, present or future government when the member for The Pas (Mr. Lathlin) was raising the issue of aboriginal fishing and the member for The Pas was raising the issues of residential treatment centres that we believe were racist policies in the past in Manitoba and racist policies perpetuated and

perpetrated by provincial governments as well as federal governments.

We believe today, on Commonwealth Day, and today following the recognition of the 10th anniversary of the Aboriginal Justice Inquiry that we should recognize that that ruling was wrong and we should expunge it from the record on behalf of the Jews and women that were not allowed as members of the Manitoba Club when the Minister of Finance had a publicly paid membership to that club. We should do today what we should have done three years ago and expunge from the record the absolutely unacceptable ruling on not being able to use "racist" policy on past, present and future governments. Shame on us for allowing the muzzle to be in place dealing with aboriginal people, and let us do something about it today by the expunging of that ruling. Instead of congratulating each other in the committee room and telling each other how wonderful we are, let us do something that is wonderful, rather than celebrating some of the injustices of the past.

Mr. Deputy Speaker, as I said, I thought this government was going to come in with a tactically clever pre-election budget. They have no substance but they have a lot of tactics when it comes to dealing with the public of Manitoba, but we were overwhelmed with their words and underwhelmed with their action. We do not believe that this budget has gone anywhere near dealing with the starvation that they have injected into Manitoba dealing with health care, education, children and First Nations people. We believe that when the public really knows the true picture of this budget, after the spin doctors have come and gone, when the public really knows that the crisis in health care is not going to be dealt with, when our future is not going to be dealt with, that we should, in fact, be dealing with this budget in a very real way.

Mr. Deputy Speaker, I move, seconded by the honourable member for Wolseley (Ms. Friesen),

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

Therefore regrets this budget ignores the present and future needs of Manitobans by:

(a) failing to address the crisis in health care;

(b) failing to relieve the stresses in our education system;

(c) failing to provide new hope for Manitoba children; and,

(d) failing to provide new opportunities for aboriginal Manitobans.

As a consequence, the government has thereby lost the confidence of this House and the people of Manitoba.

Motion presented.

Hon. Glen Cummings (Minister of Natural Resources): It is indeed a pleasure to rise this afternoon to address the fourth balanced budget in a row for this government.

Mr. Deputy Speaker, I listened fairly carefully to the comments from the Leader of the Opposition (Mr. Doer), and he opened his comments of course by referring to the energy of this government. You know, he then proceeded to believe that he could present an alternative to what has been presented in the 1998 budgetary process, and I tell you that there is no alternative that I heard in his comments that will deal more effectively with the balanced budget approach that this government has taken, and I want to put on the record a number of thoughts about why. By taking a balanced approach, we have indeed done what is needed for this province, that we have indeed continued with our direction to make sure that Manitoba has a long-term advantage to invest and there is a long-term reason for the decisions, every decision that is related in this budget.

Mr. Deputy Speaker, I will deal with health care in further length in a few moments, but I think the members opposite, while they have said time and time again, and we concur, that health care is an important and integral part of the responsibility of government in this province, that they in fact have overlooked and have forgotten that there is a serious and significant change in the demographics of this province and that, in addressing health care and the needs of health care in this province, we have to make sure that we are addressing the needs, not just today, not just in the short

term, but the long-term needs of our community and our society. That is why the changes that the ministers of Health have been introducing over the last number of years will come to fruition and will show that we will be able to deliver the care that is needed.

I am going to simply report on a conversation that I had with a friend of mine who lives in South Dakota and he comes up every fall and I have an opportunity to spend some time discussing politics and other matters with him. I said, are you going to continue to buy our doctors out of Canada? Everywhere we turn people are saying we are losing our medical practitioners to the American system. Is there a limit to how much money you are prepared to put into this? Well, he lives in a relatively small community and he said, Glen, we have one doctor. We are going to work him to death. We are losing our doctors to the larger centres. In other words, I take it from that one report that in fact this is not a unique problem in rural western Canada, but it is in fact a problem that is being addressed by rural practitioners and by rural citizens everywhere. I would suggest that the Manitoba approach and the numbers of doctors that we are now beginning to recruit within areas where we need them is in fact going to take root and that we will be able to provide and continue to provide the level of service that people in rural Manitoba and indeed across this province are concerned about.

While I live in rural Manitoba, it is not just rural Manitoba, it is everywhere in Manitoba that people have a right to expect a high level of service. I have a pretty average family. We have elderly and we have university students and younger children at either end of the spectrum of our family, and when I look at this budget I believe that balance has been brought to bear in terms of supporting the broad cross-sector of this province. When the Leader of the Opposition alleged that the people on this side of the Chamber were born with a silver spoon in their mouth—

An Honourable Member: Did he say that?

Mr. Cummings: Well, he did not use those words but that was the implication, that there was no dollar on this side of the House that was not an inherited dollar. I do not know where he got that idea. He always brags about the fact that he used to pitch bales just about two

miles down the road from where I used to pitch bales, so surely his rhetoric does not match up with what he knows is the real case.

* (1540)

The reason I want to reference that, Mr. Deputy Speaker, is that the concept of what is needed for people across this province who have a deep-seated love of this province and who want to have their children and have their future established here relates to a number of things. It relates to health care, of course, for the elderly and the young and those in-between who need it, but it also relates to what is the opportunity, what is the future that is available to me if I take roots in this province. No matter whether it is in the high-tech field or whether it is in an urban setting or anywhere else in the province, no matter whether it is in an industrial setting or whether it is in agriculture, what are the opportunities? What is the government of the day doing to make sure that those opportunities are fair? If I make a mistake, at least I know that it is not being added to by the actions of government; or, if I have an opportunity for success, I do not have to go to the government to then look at the cost of living here. That is a roundabout way of referencing what the real cost of living is in this province.

If you agree, and I will justify in a moment or two, that there are real opportunities out there for the young and those who wish to invest in this province, to indeed put down roots here and invest and expect a definite return, but the members opposite so often like to look back and say to who might be disadvantaged, to who are the members of the population who are of modest income. Can they stay here? Can they have a comfortable life? Can they profit? Can they raise their family here? Is this a place to live and to establish for future generations?

When I look at the cross-country comparisons, I have to say unequivocally that Manitoba is the place to be. Manitoba is the place to invest. Manitoba is where you should put down roots for the future for your children and your grandchildren.

To begin with, the members used to scoff every time balanced budget legislation was talked about; there was ridicule and finger pointing from across the way. I will

never let my children or my colleagues or my neighbours forget that that group over there ridiculed the idea of a balanced budget, that they ridiculed the fact that government should in fact pay its bills as it goes, that government in fact does not have the right to rob from my grandchildren while it is paying interest today in order to establish some kind of a frivolous re-election platform. That is what we saw prior to 1988. That is what we saw not only provincially; we saw it being practised federally through the tax-and-spend years of the Trudeau generation.

We have been in government for a decade now and have established a direction and a pattern that will allow this province to put itself on a strong footing for the future so that my kids and my grandchildren will be here to reap the benefits of some of the decisions that we have had to make today. [interjection] The member for Thompson does not like to hear that type of comment.

Let me talk about those who—one of things that we have always been the most concerned about are those who (a) are vulnerable and unable to look after themselves, but, secondly, those who are working and living on a modest income. What is government doing to make sure that they in fact have a chance to benefit from their efforts because society should never be formed in a way that makes it counterproductive to be working? We should always be able to hold our head up and proudly say that we are encouraging those who have the capability and who want to be immersed in the workforce, that we make every opportunity to make that a reasonable and a profitable opportunity for them so that they can raise their children, so that they can educate them and so that they can have a comfortable lifestyle within our society.

When you compare Manitoba's cost of living for a single person earning \$20,000 or less, we are in fact the least cost place in Canada to live when you subtract the cost of government, the provincial government and the broad rent, electricity, transit and telephone costs of living in this province.

Mr. Deputy Speaker, I notice that brings some silence to the opposition because at the next level of taxation under the same categories, in fact, Manitoba still ranks No. 1 for a family of four earning \$40,000 or less. If

you want to talk, as the opposition very often likes to use the term, a term which I do not like, but when they want to reference the average Manitoban, if you want to talk about the average Manitoba family, it seems to me a family of four earning \$40,000 or less probably fits somewhere between there and \$20,000, fits very nicely in that category.

I represent a constituency, in fact, where the average income is one of the lower in this province; in fact, I represent an area that does have to have respect for those who are the medium earners, those who put themselves in the modest earning category. I am proud to say that in fact this budget represents a plan for them—[interjection] The member for Dauphin (Mr. Struthers) says, well, come on down. Well, the fact is, as a neighbouring constituent, he represents the same type of people. Will he go home to his people and tell them that this is the best place to live, raise a family and do business? I doubt it, but he should.

Mr. Deputy Speaker, the fact that the opposition has targeted health care, and because they are concerned about the ability to deliver health care within the confines of what have been some very trying financial times, I think it is only fair that they allow some of the aspects of the health care debate to be put on the record in the bigger picture, not just whether or not there are a hundred or 125 beds available today, but whether or not there will be enough long-term beds as the next generation, the next wave of the elderly which is about to come, the baby boom, and, of course, acknowledging the need for the existing numbers as we move forward, that we are able to provide the care for them.

But there is a fundamental issue that the ministers of Health have been putting forward, and one which I wholeheartedly agree with, that the longer we can take care of people outside of the institutional system, the better it will be for them, undoubtedly being closer to their family, being in their own homes and at the same time making sure that the best health care that can possibly be delivered can be made available to them without institutionalizing them. I have heard all of our ministers of Health make this argument, and the members opposite know exactly where I am going, but the fact is that we have seen that the cost of home care, the funding for home care has gone from about \$35 million to where it will soon be in the \$115-million

range. That strikes me as being close to a tripling of the home care budget for delivery of health care in this province.

Mr. Gerry McAlpine, Acting Speaker, in the Chair

Now there has been lots of debate about the ability to deliver home care, about the ability to manage it as efficiently as we can, but the fact is, as the Minister of Finance (Mr. Stefanson) has referenced several times, if we are going to manage carefully, that we also have acknowledged that we do not intend to turn down legitimate costs as it is faced with the increase of volume in this province. The record clearly demonstrates that, where the volume for the need of these services has been called upon, this government, through the Ministry of Finance, has supported those costs. I think that is nowhere better demonstrated than it is in the home care system and the costs that have been associated there.

In order to support that health care and the education system that all of us are so quick to say are our No. 1 and No. 2 priorities, we need an economy that is strong, Mr. Acting Speaker, an economy that can support the type of services that we need.

When I look at some of the initiatives that have been put in place through this budget, and the initiative building on the previous initiatives that this government has undertaken, then when I look at the evangelistic tirade that the Leader of the Opposition (Mr. Doer) began with a few minutes ago, I have to believe that no matter how you shake out this economy, the number of the priorities that we have put forward are, in fact, beginning to drive the engines of growth in the economy.

Because I am familiar with agriculture, let me deal with that for a few moments. The fact is agriculture and forestry are two of our strong growth areas, but both of them areas that we can no longer afford to only be harvesting either the production of agriculture or the resource through forestry and shipping it out of the province in an unenhanced context. We cannot be shipping our raw resources without putting them into value-added, and that is almost a timeworn statement but it is true. It is even more true in agriculture and, of course, I have heard from the members opposite on

occasion, well, all you are doing is going by rote when you are talking about value-added.

* (1550)

Let me put it into a very, very simple context, and I will go back to my own constituency in this respect, and because the Leader of the Opposition mentioned hog barns and the hog industry, let me focus on that. In the area that I come from between the Riding Mountain and Lake Manitoba, the area that I represent, you go from high-value grain production land into more modest-value livestock production and grazing land right through to the fishing opportunities that we have in the inland lakes.

But with the change in rates of freight, and my colleagues have expounded on this time and time again, it is reflected very much in the type of strategy that our government has to put forward in responding to the needs and the desires of people, such as those that I represent along with a whole lot of others across the rest of this province. That is that we have to acknowledge, the cost of moving those goods and the value in terms of jobs and activity that can evolve from them.

We can produce an additional 7,000 jobs in this province through the expansion of the hog industry. Seven thousand jobs, and I would invite the members opposite to put that number down and think about it every time they get up and they want to raise issues about whether or not it is wise to deal with this type of expansion in our economy. Remember that the secret of success in this situation and this opportunity that is in front of Manitobans today is to be able to bring the balance between the needs to provide those jobs, provide a market opportunity for the product that we are putting through those hogs, and then putting it into a value-added form before we ship it offshore, striking a balance between that and what we can do on the ground to make sure that that productivity is there for generation after generation to come.

I think the members opposite—and I do not see too many of them with rural backgrounds, but they need to remember that the balance is very much in evidence in terms of initiatives that this government has already taken.

Let me stray from the numbers for a moment, Mr. Acting Speaker, because the two are inseparable as we have said many times and to reflect on the fact that other jurisdictions are looking at the guidelines, not the regulations, the guidelines that this province has been imposing on its producers for a number of years already. Those guidelines are considered to be industry leading in some other jurisdictions in this country.

The fact is that this government, through agriculture and environment, are prepared to deal along with the industry on managing those waste units as they are being produced and as those jobs are flowing from the production of hogs and, I think, ultimately the production of a number of other livestock products that can come from the opportunities that are presented to us. Sometimes those opportunities are forced upon us, and I think many of the agricultural community would acknowledge that this is not a case of simply who is the smartest. It is a case of recognizing what the real consequences are of not dealing with the problem of moving product at a value-added basis out of this province.

All of that has to be underpinned by a respect for the fact that government is there to facilitate, government is there to assist, provide leadership if possible, but to allow the industries—and I will use this one industry again as an example—to flourish without impediments that are artificially created by government. If I were to look across the tax rates that are charged in this country, Manitoba continues to position itself, not at the top, not at the bottom but at least within a competitive range so that we know that the other advantages to establishing operations here in Manitoba are at least given a chance to rise to the top and are not impeded by the fact that we have unusually high tax rates.

I want to add one other comparison that I think is quite important and one which members opposite, I do not believe, will ever raise on their own, and that is the issue of health care premiums. Many times we talk about one of the revenues to support health care in this province, and we always point to the fact that we have lost significant transfer assistance from the federal government, but the members opposite, particularly the New Democratic Party, have not ever, in my memory at least, been willing to put on the record that there are at least two provinces in this country that do charge health

care premiums. One of them is presently governed by a New Democratic Party, and the other one is Alberta. The fact is that those are the types of differences—when people look at where they want to live, they cannot just compare the raw salary as to what the real costs of establishing themselves and establishing a business in those jurisdictions are, because Alberta, of course, will argue that they do not have a sales tax while they use their oil revenues to offset that. Let me be clear that that is a significant difference in how revenues and/or costs will be calculated.

I think the other aspect—and I will touch on education at the same time—the other aspect is that with our university tuition, after the reduction of the income tax credits, we are now well into the lower end of the costs in this country. When the members opposite want to criticize the support of education in this province, they always conveniently ignore the fact that some of those costs are—while they have seen increases as they have in every other jurisdiction in this country, they are still among the lowest in this country, and it is one of the more accessible education systems across Canada, and I would suggest that with the leadership of some of the centres of higher learning that it is, in fact, rapidly changing to become one of the best known and most respected educational communities across North America and certainly in Canada.

So if we have a cross-section in this province—and we do—of opportunities, and I touched on only one of many in agriculture because there is certainly a myriad of experiences available in special crop production and processing that flows from that, but I think it is only reasonable that the opposition and the public as a whole, who I know many of whom have understood this better than some of us in this House in debating this issue may have demonstrated, and that is that there is an opportunity through this budget that is made available to improve world-class research and the opportunity for that research through the funds that have been established.

I suggest, as in a number of things that government has to do today, that there has to be a mechanism in government to support, enhance and encourage investment opportunity, and that is what the innovations fund will do. It will not be simply government putting money on the line to support and enhance, but it will be

a partnership, and that very same partnership happens in a number of areas.

Now the members opposite—and I see the member for Dauphin (Mr. Struthers) is listening intently, and I give him credit for that, but I can bring that same analogy to natural resources and the user-pay approach and the number of costs that have been instituted in natural resources. There is, I believe, across society—and if he wants to argue otherwise, I would be certainly glad to entertain that when his opportunity to speak comes because it seems to me that the broad cross-section of society recognizes that there may well indeed be reasons for the users to contribute more significantly than they have in the past in some cases, particularly with the use of our natural resources.

That is now pretty much fully in place in terms of working with the parks users, and I will use that one example within parks. After having gone through the fact that Manitoba has one of the more unique legislative regimes in terms of parks where we do in fact have private ownership within parks, we do have cottaging within parks, we have uses within parks that a lot of other jurisdictions do not manage in a similar fashion or do not even provide access to their communities in the same fashion, we now, I believe, have reflected a better opportunity so that the dollars that used to go into this area—and certainly there need to be more dollars go in this area—are being redirected through this budget, and I will deal with that in a moment. But, as dollars have become freed up because we now have more of a user-pay system in place, the fact is we are able to redirect those dollars. It is without that kind of thinking we would not easily have been able to redirect \$100 million into the health care system.

* (1600)

Now, whether that is a criterion that this budget should be judged by or not, I will leave others to speak to. But I think in looking at some of the comments that have been placed in the media in the last three days since the budget came down, I want to reflect on the fact that when I started my comments I said that we had to bring a balance to this budgetary process and that we had to make sure that we reflected all of the requirements in society.

Mr. Marcel Laurendeau, Deputy Speaker, in the Chair

I looked to some of the editorial comments that recently were made in Saturday of the Winnipeg Free Press, and that editorial comment that day finished with this comment: it is “true that this budget represents a balanced approach to managing the government's finances. It is socially progressive, fiscally conservative and responsive to the public mood.”

Mr. Deputy Speaker, responsive to the public mood is what I want to focus on for a moment because I have been spending the last couple of days on the road in my constituency, and without any prompting from me or without any discussion in terms of raising the budget, when people come up to me on an informal, social basis, they very often say, well, Glen, how are you doing or how are things going? I very often respond, well, perhaps you can tell me how you think things are going. You might have some opinions you want to share with me. I can tell you that invariably people said, well, you have brought some balance to the financing of the province the way this budget has been put together. I think that that, in my own mind, is one of the most important compliments that can be paid to any government, no matter what its political stripe, that it is in fact prepared to provide some balanced approach and leadership within the perspective of the public at large.

The reaction that was in the Winnipeg Sun when—pardon me, yes, the Sun—they were visiting and getting a review from what they considered their average family. There are comments and pros and cons, but when somebody without any particular pressure on them says, well, that is pretty incredible that there is going in fact be an improvement in their after-tax dollars, I think that is pretty much of a reflection of the view of an awful lot of people in the public. They have reached the point where they expect government to blunt the edges of taxation. They expect government to do what it can to take the edge off of that, taking that last dollar out of their pay packet because on the other side they know that their pay packet is not going to increase rampantly, either today or over the next few years. We all look forward to increased pay opportunities, but, in fact, we are seeing a re-establishment, if you will, or a reprioritization of activities within this province. Business driven as I

said earlier about some of the changes such as I talked about in the agricultural community, but also business in terms of the competitive world that they are now operating in.

Mr. Gerry McAlpine, Acting Speaker, in the Chair

I will leave others to comment on what that means in terms of technology and opportunity within the province, but I think the fact that we have been able to come through two events, one which is the rather rapidly changing world economy, and we have been able to position our province where it is competitive, where it has access to not only the challenges that are coming inward on the province, but be able to respond outwardly to the challenges and the opportunities that are occurring in the world economy.

But at the same time, we have been able to provide the assurance that their health care, their social services are going to be there for those who feel, or ultimately we all will at one time or another in our lives have need to receive services from, but at the same time making sure that government is not standing in the way of their opportunity to provide a lifestyle for themselves and their family.

Very often we hear comments from across the way, and in some cases from the media, about whether or not there is a balanced approach in terms of the relationship between the government and our largest city, the city of Winnipeg. Because I was formerly the Minister of Municipal Affairs, and because I have, in fact, developed a very healthy and I think important appreciation of the values within the city of Winnipeg and the lifestyle of our largest and most important centre, I want to put on the record that the city of Winnipeg, through its own fiscal process, through its budgeting process and the Province of Manitoba through the discussion that is occurring with my colleagues and myself and other members of cabinet, that there is a unanimity in terms of recognizing the challenges that face the budgeting both within the province as it relates to the city of Winnipeg and within the total economy of this country.

The city of Winnipeg is still a major transportation hub. The city of Winnipeg has tremendous opportunity that is about to be afforded to it through Winnport. I

think there is no one on this side of the House, and I would hope there is no one in the Legislature who can without serious misgivings not reflect favourably upon the potential of Winnport.

It may well be one of the sleepers in terms of the future of this province, but in fact all of the agricultural development that I talked about may well have a very tight link to some of the opportunities that occur through Winnport and the connections that we can make internationally for trade, and the opportunity to have the products, some of them agricultural, transported within a very few hours of when they have left fresh processing into the hands of the consumer which may be halfway around the world.

Winnport is one of those tremendous opportunities that if the plans that are in place with the support of this government, support of the public, with the support of the City of Winnipeg, this may well be the linkage that will reflect well on everybody. Because if the rural area does well, Winnipeg does well. If Winnipeg is doing well, then the rural areas know that their opportunity to be involved in that growth is there as well. This is a community of Manitoba and Winnipeg and the surrounding areas all the way across this province have mutual reasons to support Winnport and to gain from it.

That is why when I look at the transportation budget that has been recently introduced through minister's budgets, the budget that this government has just brought down, that we have to reflect on the fact that the transportation of products within the boundaries of this province is becoming one of the long-term issues that have to be dealt with and they have to be dealt with in a manner as has not been easily conceived of in the past.

The level of truck traffic, the volumes of traffic that I see crossing this province has to be dealt with. The issue of being able to put more resources into highway maintenance and repair, of course, is only part of that because, when we talk about the opportunity for expansion and when we talk about the volume of value-added goods that can move out of this province, we have a double-edged sword. We have the opportunity, we are appropriately, strategically placed to be able to take advantage of moving those goods, whether it is

south or east, but we also have a very significant responsibility of making sure that those goods are transported within the province as efficiently as possible so that they can be processed right here.

* (1610)

When I talk about balance in the budget, you can go all the way from whether or not there are enough beds to care for the elderly, which unquestionably needs to be dealt with and is dealt with in the phased-in approach to construction that the Minister of Health (Mr. Praznik) is now able to undertake, all the way through to whether or not you can carry B-trains on some of the highways that feed out from the spokes right here around the city of Winnipeg and other processing centres across the province.

With the additional funds that are able to go into transportation, of course, then come issues of maintenance of bridges, maintenance of right-of-way that the Department of Highways is consistently dealing with.

When I look at what the Department of Highways and the Department of Natural Resources were able to jointly do, along with the private sector last spring, first of all in fighting the flood and secondly in providing the recovery from it, I have to indicate that that is one of the high points in terms of demonstration of the public and private sector co-operation to deal with an event that was absolutely unprecedented and frankly created stresses on the private sector in terms of their resources, stresses on the public sector in terms of being able to respond to the needs but, in the end, demonstrated that that public and private partnership is one of the most important assets and one of the most critical to the expansion, the growth, and the opportunity within this province.

Mr. Acting Speaker, I want to close with a couple of remarks again following on my concerns about whether or not there is balance that has been put into the budget, and I will turn directly to the Department of Natural Resources, the area that I am responsible for. I am going to point to a couple of areas that probably seem small in terms of the big dollars but are critical and I think provide the other aspect of balance that we have been able to work into this budget.

The fact that we now have additional funds to make sure that we are doing Dutch elm disease control in and around the city of Winnipeg is a valued asset to the people of this province, to the city of Winnipeg that we are going to be able to deal with; that we have over three-quarters of a million dollars that we can put into our parks infrastructure and parks enhancement; that we can go to our capital expenditures to address another million and a half additional monies into the improvement and the upgrade of waterways in this province, many of whom were ravaged by the water over the last two years—'96, '95 on the west side of the province and '97 in the immediate past year.

Mr. Acting Speaker, in putting together these remarks, if there is one thing I want the members of the opposition to remember, if there is one thing that I want the public to appreciate about the thinking that went behind this budget, it is that we were able to look at the cross-section of people in this province, able to look at the cross-sectional needs. They were able to pull together at a time when it was most important that the leadership and opportunity be demonstrated to the people of this province so that they can take the initiative on themselves, that they can see the value of the surplus within the budget, the fact that we have a balanced budget, that we were able to get the extra dollars at a time when it was needed during the couple of very critical events in the last couple of years, and that for the future the citizens of this province can count on the services that they have needed and that they will need in the near future.

Mr. Marcel Laurendeau, Deputy Speaker, in the Chair

Mr. Leonard Evans (Brandon East): Mr. Deputy Speaker, I rise to join with others in this very important budget debate, a very intriguing budget, I might add, and one that gets rather confusing as one studies the budget document and tries to figure out exactly whether we do have a surplus or whether we do have a deficit.

What strikes me is that as we study budget documents we become much aware that these are not precise documents, that these are not precise measurements of provincial finance. These do not give you an exacting picture of surpluses or deficits because of the way that the numbers are handled and decisions that are made by ministers of Finance and by governments to put money in or to take money out.

During today's Question Period we had a prime example when we were talking about health care because, in spite of the Minister of Finance's (Mr. Stefanson) protest of the contrary, the fact is that we did not get another \$100 million added this year because that money or the substantial portion of that money, \$93.4 million, was added last year, and this is not acknowledged. This is not acknowledged in the documents whatsoever, and as my colleague the member from Crescentwood (Mr. Sale) has very well pointed out, there are documents, the Special Warrant that was issued and proves this. When you look at Public Accounts next year, you will see next year that very clearly that we are not having a \$100-million increase this year over last year. It is going to be very clear. The minister can protest all he likes, but he cannot skate around this one.

Well, that is one example. Another one, of course, is that the problem with budgets is that governments do not have to spend the money; and, even though they argue that they put so many dollars in for health care or education or whatever, we can look back on Public Accounts and see that, oh my gracious, not all this money was spent after all.

I am just looking at the latest quarterly report, I guess, that we have issued by the Minister of Finance (Mr. Stefanson) for the nine months ending December 1997, and, lo and behold, the actual amount of health care spending was \$15.2 million less than was estimated for that period of time.

So, you know, now you see it, now you do not. Here we put the money on the table, yet that money is not necessarily being spent. Now there could be a lot of reasons, a lot of explanations and so on, but I am using this as another illustration of the fact that the numbers we see in this document are not necessarily that firm or that fixed and are not, therefore, that precise, as precise as we would like them to have.

And then the big problem I have, Mr. Deputy Speaker, is the fact that we have this fiscal stabilization, this fund that is used in a way that can no longer be described as a rainy day fund. Surely to goodness it cannot be described as a rainy day fund when this year alone we are taking \$60 million out of it to put into revenue.

An Honourable Member: Call it Fiscal Stabilization then.

Mr. Leonard Evans: We are taking \$60 million—well, it has been referred to as a rainy day fund, a fund that we are going to use in emergencies—and yet we are supposed to have a great economy, you are supposed to have a buoyant revenue situation, and we are using the \$60 million.

What really disturbs me, Mr. Deputy Speaker, is that \$60 million is not shown any longer as the line called Deficit Reduction Transfers. In the past, when we took money out of the fund we would put it in this line, but, now, for the last two years, it is no longer there. What we have got instead is a footnote showing that it has been added up above, so it is shown as own-source revenue—and the footnote shows this—for 1997-98, \$100 million was put into revenue from the fund. This year, '98-99, \$60 million is being taken from the fund to put into own-source revenue, but no longer is it shown there, and I guess the reason why is it would be very embarrassing because if you showed that \$60 million as a deficit reduction transfer, you would note that that is contributing to this bottom line of \$23-million surplus. If you did not take that \$60 million from that fund and put it into the revenue, we would have a deficit. We would have a deficit of whatever sixty minus twenty-three is, that is \$37 million. We would have a deficit of \$37 million. So why are we not showing a deficit of \$37 million? It is simply because the Minister of Finance (Mr. Stefanson) decided to take \$60 million and put it into revenue.

* (1620)

On the other hand, he took \$150 million out of it to put into debt retirement, so you just wonder what is going on. You know, you are taking some money out, and then you are putting some money in, and then you are taking some money out. It gets to be very confusing and very misleading, Mr. Deputy Speaker. In reality, if you want to acknowledge that \$60 million coming from the fund, we do not have a \$23-million surplus; we have a \$37-million deficit.

Similarly, I might add that the government used this fund substantially in 1992-93, and it is shown here, \$200 million out of the fund that was taken and added

to the column of revenues, so that our budgetary deficit was shown to be only \$566 million instead of \$766 million, which I might add, Mr. Deputy Speaker, is the highest deficit ever recorded in the history of Manitoba, and it was done under this government in 1992-93. If there is anything that this government has beat the previous NDP government at, it is the amount of deficit spending that it is engaged in because it did engage in deficit spending big time, '92-93. But you can go all the way back: '89-90, \$142.4-million deficit; '91, \$291.6 million; '91-92, the deficit was \$334.3 million; '92-93, \$566 million, and as I said, if you did not take the \$200 million from the Fiscal Stabilization Fund, you would have had nearly three-quarters of a billion dollars; in 1993-94, \$430.5 million; '94-95, \$196 million. It is not until we come to '95-96 that we get into the black figures, but even there, a part of that is due to taking \$145 million from the fund.

So the problem with the fund therefore, Mr. Deputy Speaker, is that it fudges the issue, and who can really say then, in all honesty, what the bottom line is this year. If you want to make a case—and I think you can make a very good case, is that we do not have a surplus, we have a deficit, and if you do not like that, then why are you friggling around with these numbers as you have over the past several years? What it is really is it is a fund that suits the government's political purpose. It suits the government's political objectives.

I would like to proceed, Mr. Deputy Speaker, and make the comment that regardless of what the numbers say, the fact is that out there where the people are, where the communities are, they know what has been happening to them. They know when we say health care has been underfunded, when we say health care has been cut. They know, because there are waiting lists at hospitals for surgery, waiting lists that are far too long. There are real cases of staff cuts where nurses have been laid off en masse in some instances, and, of course, everybody realizes pretty well that the Pharmacare system has been eroded substantially and seriously. That is really sad because for a lot of people if you have a lot of money, fine, but there is a group in there, a middle group, where paying more for your drugs could discourage them from using their prescription medicines which their doctors want them to use. There is that marginal area, and you have to make a decision, well, are we going to pay another \$50

or \$100 or \$200 or whatever it is depending on the drug, depending on their illness, that they have to fork out because of the reduction in the coverage of the Pharmacare system, and that is a backward step.

I recall when we had an announcement with Ayerst Organics in Brandon a couple of years ago, I sat at a table with a representative of that company, and he stated categorically that governments should do everything they can to make drugs as cheap as possible—I am talking about prescription medicines, of course—for the people because that is an important element of prevention. If you want to keep people out of very costly hospitals or costly nursing homes, the way to do it is to provide medicine at low cost and provide every incentive for people to take their medicine as prescribed by their doctors, so that they can maintain a lifestyle that keeps them out of the hospital. I have constituents who I know fit into the category, that if they did not take certain medicines, they would end up in a nursing home. I am not going to take the time of the House to discuss some of these details, but there is no question that that has been a backward step, and there is no question that the government has reduced big time the amount of money it spends under the Pharmacare program.

So that is the real world, and another part of the real world is go to rural Manitoba, go to northern Manitoba, and ask them what about the rural dental program for children. That was a fine program, a program that was delivered with dental nurses, involving the school system, and it involved dentists as well. The dentists were involved in the diagnosis and in overseeing the procedures, but it was a sad day when a former Minister of Health of this government got up and said we are eliminating this program.

You know, Sterling Lyon, a former Conservative Premier who was often castigated for being a big-time cutter of social programs, taking the big axe and chopping social programs and so on which he did—but he never eliminated the rural dental program for kids. He tinkered around with it a bit. He made some adjustments and so on, but he had enough sense to know that that was a great preventative program. You help children, you get people when they are young, look after their teeth, which is an important component of overall health care, and you have less cost when they

become older. The less cost to themselves, the less cost to society, and, really, it was a sad day when this government eliminated a very fine, a very progressive rural and northern dental program for children. As a product of that, of course, there were great layoffs of many fine nurses who were in that program, and it was very, very unfortunate that they were simply unemployed, and the care is not being given to people.

Well, that is the reality out there and the reality, I know, in my own area in Brandon. You hear all kinds of stories about problems in health care in Brandon, and even the present CEO, a government-appointed director of the regional health authority, has lamented at the amount of cuts. He observed there was \$6 million cut, and he said at least two million was too much. At least two million—you have gone too far, two million too far.

So that is the reality, Mr. Deputy Speaker, and it has been reflected in people not getting the prompt care that they should and the quality of care that they should. The care has tended to deteriorate. If you do not have the nurses, if you do not have the doctors, if you do not have the supports, you cannot offer the same quality of service.

There is a shortage of pediatricians. There has been a lot written in the Brandon papers about that, and when it comes to capital spending, that is a joke in itself because how many times has the government, including the former minister, announced that we are going to come up with a modernization of the Brandon General Hospital, which is the only major hospital outside of Winnipeg; in fact, the only major hospital in the province that has not been modernized. It has all kinds of deficiencies including a lack of oxygen supply in some of the rooms, an inadequate operating room, undersized laboratory, leaking windows. This has been a mild winter, but when you have a cold winter you get a lot of frost on the walls and so on.

The building is time expired, as they say. It has become antiquated, and it needs modernization. That has been put off, put off, put off, and now the group is being told: well, you can proceed, but you have to raise, I think it is \$6 million. Now that is a great amount of money to be raised in that area for the hospital expansion. I have not seen anything like that.

There have been fundraising efforts in the past. I have not seen anything as challenging as this, and I do not know whether that will be possible and, therefore, whether we will every get the modernization of the hospital. I do not know. I think it will fall down before it becomes modernized, and that is really sad. As I say, if it was not so serious, it could be described as a pure farce.

* (1630)

So, while we have all these numbers on paper, we have paper documentation, we have to place these numbers against the reality of waiting lists, the reality of crowding hospitals in this province. Therefore, Mr. Deputy Speaker, while members opposite may wish to brag about a fiscal surplus, what has happened in reality is an expansion of social deficits. We have social deficits big time in this province, social deficits which have increased. They have increased in not only the health care system, and including the erosion of Pharmacare, but you see it increased in terms of education, where the universities have been starved for funds, where the public school system has been underfunded, and creating many, many problems for the people.

At any rate, the fact is that we do have a social balance sheet in this province, and it is a little different from the fiscal balance sheet that we get from the Minister of Finance (Mr. Stefanson), but on that balance sheet is health care, is education, is social services. I did not mention people who are on welfare. There have been serious cuts in that area, which is very, very sad, and many, many steps that are of a backward nature and taking money from the poorest people that we have in our society. I say that that is totally unacceptable and another example of growing social deficits, the number of children in poverty, families in poverty—totally unacceptable.

Mr. Deputy Speaker, I would like to go on to observe a statement made by the Minister of Finance, which, I think, is absolutely incredulous, and here it is in big printing and, of course, he has had it in his speech, and that is: balanced budgets create jobs. Balanced budgets create jobs. What utter nonsense that is. There is absolutely no proof, no evidence that when you have a balanced budget somehow you create jobs.

Now I know he tries to rationalize it and say, well, lower taxes and so on, maybe increased, bigger spending, you have more spending and so on and stimulate the economy. But that is totally inaccurate. It is just the opposite. It is jobs that create the surpluses. When you have people working paying taxes, when you have the economy expanding, you get more tax revenue. As you get the more tax revenue, as this government has, then you are able to come up with some kind of a surplus.

So it is a dynamic, expanding economy with growing number of jobs that create the surpluses, and that is shown in economic history in this country and in this province. In the Dirty Thirties there were massive deficits that occurred throughout the country and throughout other countries because of massive unemployment, because of economic stagnation. Not that governments suddenly went out spending more. In fact, they tried to cut back spending and made the situation actually worse in the process.

But let us get the records straight here. Let us get our thinking straight. I am afraid the Minister of Finance (Mr. Stefanson) is looking at the whole situation through sort of bluish-tinted glasses, and he is basing his statement on ideology and not on the facts and not on the understanding of how the economy works.

What is happening, the reason we are seeing these more buoyant bottom lines, and I do question whether we actually are in a surplus situation, but we are in a more buoyant situation, and that is because of the growth of our revenue. Our own-source revenue has grown significantly, and that has made a difference. When it did not grow, that is when we had the deficits.

I refer to 1992-93. Again, looking at the government document—it is not my number—there was an 8.4 percent decrease in 1992-93 in own-source revenue, that is, your income taxes, your sales taxes and all the rest of it. Because of that essentially and because spending actually went up modestly, 3.2 percent, the fact is that at that year you had this horrendous deficit of three-quarters of a billion dollars.

So we got the deficits in 1992-93 because of a major reduction in revenue to the province's Treasury. That is the fact, and if we want to acknowledge that, as the

minister should, then we have to go another step and realize that Manitoba's economy has indeed been doing a bit better the last few years than previous years, and we should all be pleased with that.

But what we are doing, we are sharing in the national economic expansion that is occurring in Canada. We are sharing in the expansion that is occurring in the region of the Prairies. You know, we are not an economic island unto ourselves. We are not sitting here in isolation. You know, we can be a little bit above or a little bit below depending on what numbers you are looking at but, basically, we are moving more or less in lock step with the prairie regional economy and certainly in lock step with the Canadian national economy.

The Royal Bank recognizes this, Mr. Deputy Speaker. The Royal Bank, which comes out with forecasts from time to time, has made reference in a recent forecast which they refer to the strong real economic growth in 1997 for the province, which is fine. It was fairly high. It was slightly below the national average, but it was pretty good. But it goes on to say that the pace of economic activity in Manitoba should slow over the next two years in line with the Canadian growth profile. In other words, because the Canadian growth profile has expanded, we have been partaking of that, we have been expanding. Thank goodness. I mean, we should, but because the Canadian economic profile is apparently going to contract, according to the Royal Bank in their forecasts, then Manitoba's economic growth will contract as well.

They have got some numbers here. They are showing numbers. Real GDP is going to decline in 1998 and 1999 over the 1997 level, and they show Canada growing in 1998, but it is diminishing in 1999.

So let us be truthful to ourselves. Let us look at the facts. Let us understand how the economy works and let us not kid ourselves with the mythology that somehow or other surpluses create jobs. I mean, that is actually silly.

When we look at the economy we have to recognize there are many, many factors that are involved. Certainly federal economic policies have a great bearing, whatever they are in terms of federal spending,

Certainly interest rates, the fact that we have a relatively low interest rate regime, and I say relatively, it is still too high. As far as I am concerned interest rates are still too high but, nevertheless, compared to the situation a few years ago, they are low. But whatever happens to the interest rate has a great bearing on what happens in our residential construction, with capital expansion. If business people find that interest rates are very high it becomes more difficult for them to borrow money and to be able to pay it back because they have to have enough revenue to pay the increased costs of borrowing. The same thing not only with capital, not only with their plant and equipment, but also with their inventory. It certainly affects consumer spending. If you have high rates of interest it does affect people in purchasing of cars for example and other durable goods. So that is a factor.

Another factor is what is happening to the United States economy. The U.S. economy has been very buoyant for the last few years, and we are benefiting by that. We have numbers which were put out by this government showing our exports to the United States increasing. They are increasing because U.S. consumers are able and willing to buy our products, whatever they may be.

So these are all factors that have to be taken into consideration. So please do not tell me because you think you have a balanced budget that you are creating jobs. Please, please, please. It is just the reverse of that.

Mr. Deputy Speaker, all of us agree at some point or other that the Manitoba resident would like to be reduced in terms of tax burden. We all would like to reduce tax burdens as much as we can and, so, while we appreciate that there has been some relief offered, we have some concerns with the way this relief is being offered. We do not think that cutting back on the income tax is as fair or as equitable as some other kinds of tax reductions that we would propose. One, of course, that my leader has proposed is a substantial increase in property tax credits.

* (1640)

This government, in 1992 I believe, took tax credits away from property owners and renters, by the way,

and that was incidentally part and parcel of an in excess of \$100-million increase in taxes in that year. The tax increases came about because of the expansion or the extension of the retail sales taxes and because of the elimination of property tax credits.

We are saying let us put those property tax credits back and \$75, \$150 for seniors. This would be far more progressive, far fairer to Manitobans, and will be appreciated on that account.

The problem with the income tax cut is—well, first of all, it is extremely modest. I have talked to some people what they thought about it, and they said, well, it is not very much money. Mind you, I am talking to people with just average or maybe below average income. They felt it was very modest and would not even notice it. When you look at it, if you took the whole amount, I think it is \$45 million, and you divide it by our population, it comes to about \$41 per person on average in the province. Now that is a pretty modest amount. It is not much when you think of what the government is taking in. We are taking in \$1.48 billions of dollars in income tax, and the government is only shaving off \$45 million of it. It is pretty small.

Having said that, then the minister turns around and forecasts that his income tax revenues from persons will be actually higher next year even with this cut. So let us make no mistake about it, the government is going to depend more on income tax from individuals next year than it did last year.

So there are ways of providing tax relief. We think there are other ways that are much more progressive than what the government has done.

The other comment I would make, incidentally, that we—the minister brags that he has brought the income tax rates down to 50 percent of the basic federal tax, but what we have really done now is come down to the level that Saskatchewan has been for a while. So this is to put us more in lock step with Saskatchewan, not quite as low as Alberta, but a little closer to the Alberta situation.

So all in all, I looked at the government document, the deficit document, and I see the total value of tax cuts, all of them, and all the credits amount to \$63.6

million in one year. That is what the total is. That is everything. I compare that, however, with the budget document for 1993 where, at that time, the government extended the sales taxes, reduced property tax credits, and took \$100.2 million away from the people of Manitoba. So they are bragging about giving out \$63.6 million, but we cannot let the government forget that they took away \$100.2 million, according to their documents. In fact, we thought it would be a bit more than that, but that is according to the fiscal budget at that time.

The other point I continually become amazed about is the employer payroll tax or health and education levy. The now Premier (Mr. Filmon), the then Leader of the Opposition, stated not on one but on many occasions that he was going to totally eliminate the payroll tax because it was evil, that it had negatively affected business and he would see that it would be eliminated, and, really, well, he has lifted exemption levels, which we were doing. After we initiated the tax a few years back, we did come about with raising the limits to cause smaller businesses, medium-sized businesses to be exempt from it. But, now, with the new budget, he is saying again, well, we are making some cuts there, but, in reality, the payroll tax is going to be bigger again in 1998-99 than it was in 1997-98; in fact substantially bigger.

The health and education levy, or payroll tax as it is called, was projected for \$209.4 million in 1997-98, and this year it is going to bring in \$225 million, almost another \$15 million, so much for wiping out the payroll tax. It is with us. It is pretty big. In fact, it is too big for them to get rid of. They will never get rid of it. I only wish they would be honest about it. That is what we need, is some honesty, integrity in this. It is just like this balanced budget business and so on. In fact, when we are talking about balanced budgets, so much is made about balanced budget legislation, but the fact is, Mr. Deputy Speaker, I want to remind the members of the House that you do not need legislation to balance budgets. You do not need legislation to have surpluses. You do what you will given your revenues, your expenditures and your policy decisions. You do not have to pass a PR document and tell the people, hey, we are going to balance the budget, and now we know in reality we are not getting balanced budgets anyway because, as I said, we have a deficit this year if you take

the \$60-million transfer on the \$37 million, not a \$23-million surplus.

Then the other comment I would like to make at the data shown in the document is with regard to debt. The debt problem that this government sees is very convenient for it to justify cuts in social programs, to justify cuts in health and education, but, virtually, this government has really exaggerated the debt problem. Manitoba did not have a serious debt problem when this government took office. In fact, it does not have a serious debt problem today. Again, you can decipher this from looking at the document and examining the numbers.

Looking at the public debt costs as a percentage of our expenditure, when the government took office in '88-89, it was around 9 or 10 percent. I do not have '88-89. I have '89-90. It was about 10 percent, but now it is 9.4 percent. It actually did increase a bit in the mid-term of this government because of their big deficits, but at 9.4 percent of total spending, it is a very manageable amount. In fact, it is one of the lowest, if not the lowest servicing burden in the country. Yes, we are third lowest. Only Alberta and B.C. has a lower debt-servicing cost as a percentage of total expenditure than Manitoba. So, again, I say the debt situation is exaggerated.

Also, you should relate your general purpose debt to your gross domestic product, just as you relate your personal or household debt to your personal income. If your income goes up and your debt stays the same, the debt becomes a lesser burden, and that is what has been happening in Manitoba, or at least the GDP has grown faster than the net general purpose debt except—I am going to retract—for the mid-term of this government where they had these big deficits.

But in '89-90, 21.7 percent of GDP was the net general purpose debt, or I should put it the other way. The net general purpose debt amounted to 21.7 percent of the GDP, and, today, according to the budget, it is 22.2 percent. I mean, this is one of the lowest in the country, far lower than the federal government which at one point was around 40 percent. I do not know where it is now. It is 30-something percent. [interjection] It is 37 percent? It is much higher, at any rate, than ours. Yes, we have a debt. Yes, it would be nice to pay it

down. Yes, it should be paid down in times of surplus, but I get rather puzzled, as I said before, when the government has to turn around and take \$60 million out of the so-called rainy day fund to try to come up with a bottom-line surplus of \$23 million, which they then take and put back into the rainy day fund. I mean it gets to be a little ridiculous.

In British Columbia, they set up a similar fund. They call it the budget stabilization fund, otherwise known as the BS fund. You know, and I think that is a fairly good description of this fund.

Well, Mr. Deputy Speaker, I would like to go on and talk a bit about what is happening to the standard of living of the people of this province. Much has been said about economic growth, and that is fine. We need the economic growth, but how is it translated into the pay cheques, into the incomes of average Manitobans? That is the question we have to ask. Unfortunately, our labour market, if I can use that term, or our total employment picture is characterized by just too many low-paying jobs, too many part-time jobs, too many minimum-wage jobs—and incidentally the minimum wage has not gone up for a long time and it is way out of whack. When the NDP was in power we had the highest minimum wage in Canada. Today I think we have got about the lowest. [interjection] That is right.

* (1650)

But what has been happening to average wages? If we look at Statistics Canada data on the average industrial weekly wage, we see that since this government took office that wage increase has not kept pace with inflation. Inflation has superseded the rate of wage increase so that the real or after-inflation wages have actually decreased by \$18.41 a week or \$78.90 per month in 1997, almost \$79 a month less in real purchasing power that average workers have in Manitoba compared to when this government took office. So no wonder people feel poor. No wonder people are actually anxious and waiting for more income tax cuts, because their take-home pay does not buy as much as it did when this government first took office.

As far as I am concerned the fact that Manitoba workers have lost purchasing power and have incidentally fallen behind the national average wages in

the past 10 years reveals the basic weakness in our economy, a basic weakness in our employment situation. Yes, there has been a robust economy in a few areas, but that has not filtered down to the average worker in this province. The federal or the national average weekly wage has grown faster than in Manitoba and in fact has grown faster than inflation. So if the Canadian average wage has actually increased between 1988 and 1997, it has gone up by about \$39 on a monthly basis, and—I am sorry. In 1988, the Canadian average weekly wage was \$38.59 per month higher than the Manitoba average, and today, in those same constant dollars, the Canadian average wage has superseded the Manitoba average by \$68.74.

So what has happened in Canada as a whole is that wages have increased faster than inflation. In Manitoba they have not. As a result Manitoba workers are poorer than they were in 1988 in terms of purchasing power, and they compare more poorly to their Canadian average worker this year, in 1997 at least, than in 1988. So you can crow all you like about fiscal success or about economic growth. The fact is that the economy has not performed well enough to ensure a decent standard of living for our average workers in this province, that those workers expect, that those workers deserve.

Mr. Ben Sveinson, Acting Speaker, in the Chair

Let me say in conclusion, because I gather I am running out of time, that another sign—I know the government likes to put out all these numbers showing great economic expansion and how things are so fine—another factor that disturbs me is the loss of persons through interprovincial migration. The government has been bragging that the loss of people through interprovincial migration has been diminishing over the past few years, which it has, but this last year, 1997 we have seen a sudden increase in the exodus of people from Manitoba. In fact, in the first three quarters, which is the latest data we have, the increase in outward migration is 5,000. That is a net loss of people to other provinces, 5,000 compared to about 2,000 in the same period the year before. This is startling.

Why is it that suddenly we have this big growth in exodus of people to other provinces? We are even

losing it to Saskatchewan. Normally we are a net gainer from Saskatchewan. In the first three quarters I think we lost about 800 people net to Saskatchewan. That is after you take all the people going to Saskatchewan and all the people coming from Saskatchewan here, we have lost on a net basis, big time, and maybe that indicates that the Saskatchewan economy is more buoyant than the Manitoba economy. Perhaps that conclusion can be drawn.

But, when you have wages that are not keeping pace with inflation, and when you have people leaving the province for greener pastures, you have to question yourself, do we really have a strong economy, do we really have that great economic situation that this Minister of Finance would have us believe?

So what this province needs, in conclusion, Mr. Acting Speaker, is a government that is going to address these economic problems to ensure better growth, higher wages and attracting industries that pay decent wages and at the same time address the needs of health care and education and our social security system. Let us address it in a humane way. Let us put people before profits. Let us put humanity first.

Mrs. Shirley Render (St. Vital): Mr. Acting Speaker, I have to say what an honour it is to be part of a government which has brought down a budget such as this and, of course, a pleasure to be speaking to this budget. I would really like to start off by thanking the Premier for the vision he had 10 years ago, for the vision he had of bringing in a balanced budget, for pulling together a group of people that were able to do this.

I was really pleased to see on Friday the previous Minister of Finance, Clayton Manness, the previous Minister of Health, Don Orchard, sitting in the loges because I know how hard they worked towards bringing in a balanced budget, so it was good to see them. And, of course, congratulations to our present Minister of Finance (Mr. Stefanson), who has done a marvellous job, to the many people throughout the years who have been on Treasury Board. I know how many hours that they have put in to do this, but really, as our Premier has said so often, it is a team effort guided by experts. It is a team vision and a vision that says we must live within our means.

I remember one of my very first days out campaigning back in 1990, I had the then Minister of Finance door-knocking with me. I knocked on the door of this one house, and this individual came to the door. He was about my age, and he said to me, why should I vote for you? What are you going to do for me? Well, one of the reasons why I have joined the Conservative Party is that I happen to believe in their philosophy of living within their means, because unless you live within your means you cannot give the services that government should be giving. He said, well, how do I know you are going to keep your word? Well, I have got the Minister of Finance with me. He certainly can tell you some of the steps that have already been done and some of the steps that we would take if our government is elected. So he listened.

Five years later when I was door-knocking I happened to meet him again. I was door-knocking in the evening, and that is the only time this individual is at home. He remembered our conversation of 1990, and, of course, 1995 was the year that we brought in our first balanced budget. He said, Shirley, you kept your word. You have my vote.

So it was an exciting year to be campaigning, just as it is a very exciting year right now in March 1998 to be bringing in our fourth balanced budget. Of course, as the Minister of Finance (Mr. Stefanson) said in 1995 when we tabled that first balanced budget, that was the first time in 22 years that that had happened in our province. Along with tabling a balanced budget we of course brought in balanced budget legislation.

Now, when we started doing these things in the early '90s, we started doing them before it became the in thing to do. I know that the Leader of the Opposition at the federal level, Preston Manning, I think pretty well claims most of the credit for this kind of thing, but we here on this side of the House I think can claim much of the credit for thinking that we must live within our means.

* (1700)

I want to just go over some of the things that our Minister of Finance talked about a couple of days ago. That is one of the advantages of being up at the beginning of the discussion, because nobody else has

said some of the things that I just want to repeat. I think this budget, which is a budget which got better with every single page, there is so much in this budget that bears repeating.

I think it is very appropriate that in the first two pages of our budget book the Minister of Finance sort of sets the scene as to why we are able to do the things that we have done, because this is a good news budget. He talks about the fact that balanced budgets, and I quote, have allowed us to launch the first sustained attack on the province's accumulated debt since the 1950s and, of course, balanced budgets, as we all know, have allowed us to sustain and protect vital social programs such as health and education.

Now, without that feeling from government that business and other people can count on a government that is going to keep their word—it is all fine and dandy for people to say: oh, yes, I believe in a balanced budget. You do it one year and then you fall apart the next year. This is our fourth balanced budget. A government that has the confidence of the business community means that our business community is going to grow; not just the business community is going to grow, the whole community is going to grow, because they know what this party stands for.

When people have confidence in us, then they are going to invest in this province. They are going to set up businesses. They are going to buy homes and maybe going to buy holiday property. We have a huge province, lots of places to put a cottage up. All of these things mean more jobs are going to be created, more employment.

I think that is one of the things that really separates this side from the other side. I really have gotten the feeling over the years that the other side believes that it is government's duty to provide jobs, whereas I firmly believe it is government's duty to provide services.

Now, let me just get back to the jobs because, again, the Minister of Finance (Mr. Stefanson) has put this on the second page and he has prefaced it with the sentence, there is a very important lesson here. Balanced budgets create jobs. That means that the jobs are not tied in to government, that they are not—if government is having a bad year, then things happen.

If the jobs are in the private sector and the private sector is stable and doing well, then that is good news for this province.

I just want to very quickly before I zero in on some of the areas just go over some of the things that have been happening in the last couple of years in this province. As the Minister of Finance says, in 1996 and in 1997, those were two exceptionally good years for this province's economy.

What other province can say private investment is at a record level, retail sales are at a record level, manufacturing shipments are at a record level, foreign exports are at a record level, farm cash receipts are at a record level? I do not know any other province that can brag about that and give those kinds of statements. Of course, this means that this province has economic strength. We see it when we go into the stores; we see the shopping that is taking place. I remember reading the newspapers during Christmas, and the stores talked about the good retail sales. We see it on the construction sites. There are more tenders being put out now than there have been for a number of years, and there are more contracts being won by Manitoba companies, more facilities being built, more housing starts. These are all absolutely vital, and, of course, the bottom line is that there are more Manitobans working.

Now, people say what is so important about a balanced budget, and, again, I am amazed at the number of people who do not realize the importance of a balanced budget. It makes me wonder sometimes how they run their own household finances, and I guess that is why these are people who get into trouble, because they have spent and spent and borrowed and borrowed and do not understand that at some point that cycle has got to stop. Well, a balanced budget means that we are not adding to that debt. A balanced budget means that no longer are our interest payments escalating every year. Those interest payments in the past number of years just went right out the window; they did not do us any good. Those interest payments, if my memory is correct, a number of years ago took the third largest chunk out of our budget, and I think they are down to the fourth or the fifth right now. So a balanced budget is important because it means our debt is not increasing; it is declining. It means our interest payments are declining. Of course, a balanced budget,

once it starts producing a surplus, means, as the Minister of Finance (Mr. Stefanson) said, we have real choices and real flexibility with what we can do with the surplus.

The opposition, as I have listened to them, have said over and over we have done away with health care. Well, Mr. Acting Speaker, I do not know, they just do not seem to be able to read the numbers. Health care takes the highest proportion, the highest chunk out of our expenditures, and has since we have been elected. This year it is a little more than 34 percent. That is an increase of 45 percent since we took office, an increase of almost \$600 million. The budget for health care this year is \$1.93 billion. So for anybody to say that we have been cutting health care, they do not know how to read the simple numbers. Health care has consistently been our top priority program.

I was very, very interested in seeing that there was \$11 million more for dialysis services. I have a friend who has been very involved in dialysis, both at the provincial level and at the national level, and this was one of her concerns because, regrettably, it seems that more and more people need this service. So when she found out that we had put \$11 million more in for dialysis services, she left me a message on my answering machine—well, I will not go into that, but that, again, was good news.

Mr. Acting Speaker, the things that we have to do in health care now are so vastly different from what happened even 10, 15, 20 years ago. Government is called upon to do so many more things. Things were relatively simple, but now we have a whole variety of services that we did not offer before. Our technology, our scientific research was not advanced enough for us to do these things. These have all been pressuring the health care system, and it is no secret—the Minister of Health (Mr. Praznik) has made no secret of the fact that the health care system right across the country has had to take a look at how it operates. It is not just this province that is having problems with health care. Every single province across the country is having to rethink how it handles health care.

I think it is very important that this budget has put in \$2.4 million more to support additional intensive care beds. I just mentioned the advances in technology. We

did not have some of these things such as CT scans, MRI machines. These are words that have just been coined in the last decade. When the opposition was in power, many of these things were not around. They did not have to deal with them. These are things we have to deal with, and we put the money in, \$2.5 million, to improve access to joint replacement surgery, for ultrasound diagnostics, MRI machine use, CT scans, radiation therapy, bone density assessments.

Mr. Acting Speaker, I am really pleased to see the home care budget, the fact that this has tripled. This is an area that is very important to me. Back in the late '60s, I worked with the Victorian Order of Nurses and set up what was then known as the home help program, which has now turned out to be the Home Care program. So this is a service that I very much believe in, and I am very pleased to see that we have tripled the amount of money that now goes into home care. Again, my memory, I do not have my figures in front of me, but it seems to me it was \$35 million or \$38 million we were putting into home care. As I say, now we are at \$123 million.

* (1710)

Personal care homes, this is something else that has really changed over the last 10, 20, 30 years. Again, I am calling upon past experiences. I used to work for social allowances and the personal care homes that we had back in the '60s were the homes that used to be along here on Assiniboine, along Osborne. Most of these homes have since disappeared. There are business buildings there where homes have been razed to the ground. They are not there anymore. [interjection] No, not on Osborne. I am thinking of one just right over the Osborne Street bridge, just before the big apartment block. There are still many of the personal care homes on Roslyn Road, but most of the homes on Assiniboine are not there any longer.

All I am trying to say to the members opposite, who are maybe trying to change the intent of my words, is that back in the '60s we were able—I am not saying it was the right way to go, but we were able to get away with using the big, large old homes that had sort of gone their cycle from single-family homes into rooming homes and then had been turned into nursing—well, nursing homes, as they were called then. But, again,

the aging population has grown so immensely that now we have to build specific buildings, which we call personal care homes. We cannot just take any old building now and turn it into that.

Something else that I think is so very, very important in health care spending is the Pharmacare program. Again, it reflects the changes, the advances that have been made in science, science technology, in the health field, that we have so many more drugs on the market that doctors are able to prescribe for people's good health, but again it is a pressure on the whole system.

Something else that is very new, and something else which I am very proud of our government for introducing, is the Manitoba Breast Cancer Screening Program. Of course, this year we are supporting the expansion of this program with the addition of two mobile breast screening units.

I know, as a city MLA, we city folk sometimes tend to be labelled as not being able to see beyond the Perimeter, but I was very pleased to see in the Health Capital Program the construction that was going to be going on in other parts of the province: 40-bed personal care home in Oakbank, a 20-bed care home in Hartney, the development of a new personal care home in The Pas to replace an older facility, also, a couple of new projects under the Lions Manor working with the Lions Manor. One of them is a 30-person Alzheimer's care unit. Now, again, this is recognizing a need that I do not know that we recognized even 10 years ago. Unfortunately, I think most of us either have friends or families who have an elderly person in the home who has Alzheimer's, and it is very difficult to deal with that individual. So I am very pleased to see this kind of thing happening. Of course, our capital program also includes 13 conversion projects.

Something else that we, I think, tend to forget about, it is so easy to say we can talk about beds. Ah, I am sure they can find 20 beds here, I am sure they can find 30 beds here. But it is not just the bed. It is the staff and, of course, we have to make sure that we treat our staff, our doctors, our nurses and all of the other health care people, fairly. There is also the medical equipment. You cannot just have the bed and the staff. You have to have all of the other things that go with it. Of course, this year's budget has a special allocation of

\$10 million for the purchase of medical equipment. Again, I think we tend to forget how specialized health care has become.

I found it very interesting reading an engineering magazine not too long ago, and it talked about the number of engineers who were also physicians, who had also taken their M.D., and they used the two in combination. Again, 10-15 years ago, I do not know how many engineers would become doctors or how many doctors would then turn around and get an engineering degree, but certainly there is a huge realization that the two go hand in hand when we are talking about equipment, specialized health equipment, when we are talking about some of the bone, the hip replacement joints. These are all actually, many of them are engineering kinds of things tuned to the health care field. But, again, it means a huge drain on health care finances, because it all requires very specialized equipment, very specialized diagnostic services.

I mentioned engineering and doctors working together, and I just notice here in the budget, I just happened to be looking at page 9 here. This budget allocates some \$2 million for health research initiatives, an increase of \$1.5 million and, again, that is absolutely vital, because things are changing so dramatically that we have to keep up and we have to keep pumping money into this particular area.

So as the Minister of Finance (Mr. Stefanson) so very clearly said the other day, this budget devotes 34.6 percent to health care, which means almost \$1,700 for health care for every man, woman, and child this year. Our province's spending on health care as a percentage of regular budget expenditure is the second highest of all provinces, and I think that is very, very good news.

Now, the second highest expenditure for this government is education and, of course, this year our government increased the grant for the kindergarten to Grade 12. The amount of money going into that particular area is \$612.8 million. One of the things that we are doing, of course, which has been controversial, has been emphasizing the core subjects, has been establishing regular assessments to measure student performance.

It is interesting. We have just gone through the Olympics. I do not think anybody has a problem with

establishing standards, performance evaluations for our athletes. Is there much of a difference for academics? Academics are very important. I think most teachers teach for excellence, and I think most teachers want to have, want to know that they are performing at their peak level and that they are giving their students the very best teaching, but sometimes it is very hard to tell unless you have some kind of standard that you can assess students. As I say, we have no trouble in the field of sports by setting standards. The same thing can be done for the very important thing called academics, in other words, education.

As the Minister of Education (Mrs. McIntosh) announced a while ago, the funding for public schools was increased by 2.2 percent and that overall increase means some 16.7 million more dollars going into education.

Quite often we focus mainly on the K-12. We have to remember that many of those students are going on afterwards, and we must not forget the post-secondary education and some of the things that we have done for students, because again I think most of us have noticed the headlines in the newspapers. We have heard the students on the radio talking about a march or an all-day protest or going to a Premier's Office, not necessarily this particular province, so we recognized the fact that our students at the post-education level were having a hard time. University, community colleges, other training programs are expensive, so we are participating in a national harmonized student loans program. A new interest relief in debt reduction program is another one of our initiatives, and we have also put in more money for scholarships and bursaries, and of course the Manitoba Learning Tax Credit will be reprofiled to complement these kinds of initiatives.

* (1720)

Now, I just want to turn very briefly to a couple of my schools. I wish I had time to talk about them all, but just the other day in our local paper I read—and here is the headline, this is from *The Lance* and it is dated March 4 and it says: Business brings Rewards for Young Entrepreneurs. Four young entrepreneurs of Pierre Radisson Collegiate were honoured by the Manitoba Council for Exceptional Children last week.

The students were Sean Wade, Suzanne Lean, Imelda Badere Llanos and Brock Whiteway, were presented with Yes, I Can Awards in the employment category, and here is the name of the business, it is called Raccoon Works, a business that they started last fall.

Mr. Marcel Laurendeau, Deputy Speaker, in the Chair

Now this Raccoon Works was named for the St. Boniface high school mascot. The students make and market and sell nontoxic playdough, blueberry jam and specialty foods like Valentine cookies and their customers include the local daycares in the area, plus the students and the staff at Pierre Radisson Collegiate and St. Boniface elementary schools. So I just wanted to say congratulations to the teachers in St. Boniface and also in the St. Vital School Division who are working with young people such as this in the Yes, I Can kind of thing because again education is more than just teaching the academics. We have many kinds of students in the system and we cannot neglect any of them.

Glenwood School, very briefly, I just want to mention a very interesting program that they have just completed. It is called the FAST program, Families and Schools Together, very, very successful. Again I want to congratulate the staff at Glenwood because this means a lot of extra hours for them. I want to congratulate the parents who were involved with that either as the clients of the program or as volunteer parents, and, of course, other staff from Child and Family Services, all of them working together to help families pull together so that they were working as a family unit and the bottom line really was so that the child in school did not suffer because of various other problems. It was an eight-week program, and it was a program that has moved to another school in St. Vital. I just cannot say enough good things about that program.

Again, I have to comment on the extra work that many of the staff are putting in to make sure that their students are getting a whole variety of needs met, whether it is on the academic side or on something such as St. George School in my riding. Here parents and staff are working to try to put together a breakfast program. They are also working to try to implement a

preschool literacy program, recognizing the fact that the child who comes to school having been read to at home, having a sense of what reading is all about is not starting behind the eightball.

So, again, I would like to congratulate—these are just three of the schools that I have mentioned. I have left out three of my other schools just because there are so many things that I want to talk about today. Again, I know that at each of the schools teachers are working hard to pick up where sometimes there is nothing definite said that you must do this for this particular child, but they see the need and they are moving in the direction to try to pick up on that need.

Something else that I have been very impressed with is the Taking Charge! program. Again, I have constituents in my riding who have been part and parcel of this program so that they have told me first-hand just how valuable this program is. I have the 1996-97 annual report out from the Taking Charge! program, and, again, just reading the numbers, they are really quite incredible. Mr. Deputy Speaker, 1996-97, as the executive director said, has been a year of growth and accomplishments for Taking Charge!. Do you know that there were 404 single parents in jobs? That is how many parents Taking Charge! placed in jobs—404 single parents put in jobs. Fantastic. There were also 1,000 clients enrolled in training programs, and there were almost 1,400 registered in the program. There were just under 3,000 children provided with care.

One of the things that they found with this program was that a lot of the single parents that came to the program just lacked some of the skills, so this past year the Taking Charge! program had to pick up on some of the areas that these people were lacking in so that they could take advantage of the training. Of course, the bottom line for the program was to promote self-sufficiency of the single parent, providing relevant and effective training that would lead them to obtaining good jobs.

Taking Charge!, as one of my constituents said to me, is a very unique and innovative experiment, and it was designed specifically to help single parents on social assistance to take control of their lives by finding secure employment. Many, many people on social assistance do not want to be there, but it is sometimes

a very vicious cycle and they do not know how to get off it. This program is also very unique because it is client-driven. It is unique because of the wide ranges of service it provides. Once a person is enrolled in this program, they are provided not only with the component of the program, but they are provided with child care, they are provided with bus fare, and steps are taken to ensure that there are no complications in social assistance payments. So the whole thing is tied together so that—sometimes bus fare can be a real hindrance to somebody getting the training. We think most of us have cars. I see most of us getting out of the car at some stage when we come down here, but bus fare can be a real barrier. So, as I say, Taking Charge! puts this all together in a package so that the single parent is not left at loose ends.

Again, I congratulate our Minister of Family Services (Mrs. Mitchelson) and others who brought this program in because, again, we are trying to break the cycle of being on welfare forever because most people do not want that cycle to be continued.

One of the other things that I saw in the budget that I was really pleased about was the increase and—just trying to remember the percentage. I think it was about 3.6 percent increase in funding for Justice and all of the initiatives that Justice has. Zero tolerance for domestic violence, an additional \$1.9 million for our action plan to deal with domestic violence. Coincidental that today I rose in the House to speak on International Women's Day and, of course, it started out, as the honourable member across the way and I both mentioned, with garment workers and their very poor working conditions, but International Women's Day has also focused on domestic abuse, domestic violence. So I am very pleased that this government has increased the funding for this.

Also in 1995, we put in more money for community policing and this year the budget once again allocates \$2 million. This is for the fourth year of a seven-year commitment, and I think at this point, I would like to just tell you a little bit about some of the things that are happening in my community of St. Vital, because keeping the community safe has been a concern for St. Vitalers. St. Vitalers are quite prepared to work with government to do what they can. They understand that government cannot do everything. They feel that they

need to take much of the responsibility themselves, as all of us should be doing in a whole variety of things. So let me just tell you about some of the things that have been happening in St. Vital, because there has been a lot of hard work by a group of people and I really would like to acknowledge them.

In April 1996, I hosted a public meeting on safety. I put together a panel with representation from seniors, parents, young people, business people, Citizens for Crime Awareness and the community police. On that panel representing the Citizens for Crime Awareness was Bev Munn; from the old St. Vital BIZ group was Carol Teixeira; we had a student from Glenlawn Collegiate by the name of Shannon McNeill; from the seniors, we had Pat Main; and from one of the parent councils in the area, Joan MacDonald; and, of course, we had a representative from our community police. Each of those individuals spoke for approximately eight minutes, and they told about some of their concerns from their perspective, from either the perspective of a parent or a senior, and some of the suggestions that they had for making an improvement.

Well, the evening went over so well, we had about 250 people out that night. That made us all realize that St. Vitalers were interested in making sure that St. Vital remained a good and a safe place to live because we were not at the top of the list for crime. I think we were second from the bottom. So crime in old St. Vital was not an issue, but it showed me that St. Vital was prepared to do something about it. So from that first public meeting, a group of us then pulled together all of the leaders, what I call the leaders in the community—the presidents of the community clubs, principals of the schools, school trustees, representatives from the various seniors groups, the Y, even the library, scout organizations, guides, young people. We had many young people help us. We had a couple of meetings where we brainstormed because out of that first public meeting, there were about 12 issues that were identified as concerns. Obviously, we could not deal with them all so we prioritized those 12 issues, and then we took the top three and said let us try to do something about these top three. The top three were break-ins, youth unrest and parents who need support.

* (1730)

Again, I would just like to acknowledge some of the people who helped me. Because we had such a fantastic response from the leaders of the community—we had some 75 people come out for that I had to break people up into groups—there was no way that I could facilitate each of the groups. So I just want to put on the record the names of the people who helped facilitate those two leaders' meetings: Irene Nordheim, a teacher from Glenlawn Collegiate, now vice-principal of St. George School; Heather Westdal, another teacher; Suzanne Boudreau, another teacher; Brenda Trevenen from my constituency office, also a former teacher; Gerry Corrigan, one of the business community; Bob Paajanen, business community; Tom Parker, former principal of Pierre Radisson and Windsor Park Collegiate; and Peg Venables, again another teacher.

From those leaders' meetings, we then held another public meeting to let the community know what we had been doing over the year and a half, and our presenters at that public meeting were Julia Ewanchuk, Gerry Corrigan, Tonya Schymkiw, Shannon McNeill, and I will mention Joan MacDonald's name again at this time because each of those people offered to take on the leadership of those three groups.

So, again, just really an opportunity for me to say thank you to these people. I see that my time is virtually running out, and I cannot speak to you about the revitalization program that has been going on in my community, so I will leave that for another time and simply say once more, thank you to my colleagues, thank you to our Minister of Finance, thank you to the Treasury Board and the ministers who have worked so hard to do the things that are in this budget. As I said to the Minister of Finance (Mr. Stefanson) last Friday, every page that he turned over was better than the page preceding. I mean, again what an honour it is to be a part of the government who has brought in a budget with highlights such as total employment has increased by 2.4 percent, the largest increase in 11 years, and all the new jobs were full time and in the private sector.

Exports. The growth in exports has continued. Farm cash receipts reached a record level for the sixth consecutive year. The value of mineral production increased 12.6 percent; manufacturing shipments grew again more quickly than the national average; housing

starts increased 12.7 percent; retail sales rose 6.9 percent, the largest increase in 12 years. Total investments in this province rose 14.8 percent. I mean, talk about good news.

Of course, really I must say it again, this balances the budget for the fourth consecutive year. We have provided for \$150 million payment on the provincial debt, twice the required amount. Most of us have children. Do we want to leave our children saddled with a huge debt? No. This is good news. Of course, good news, \$100 million more for health care than the previous budget. More resources for education, children, families and justice and provides, of course, a 3.6 overall increase in program funding. Of course, a cut in personal income taxes because I think I know how to spend my money better than you, so I like that. Of course, the best thing of all, after all of this, we are projecting a surplus of \$23 million.

Thank you, Mr. Deputy Speaker. It has been an honour to speak to this budget. This is a fantastic budget, and I am certain that many of the people on all parts of this House will be supporting this budget. Thank you.

Mr. Tim Sale (Crescentwood): It is very hard to begin to analyze this budget because it is constructed out of such quicksand that one finds oneself sinking in numbers that bear no resemblance to reality no matter which part of it you begin to look at. So it is difficult to analyze because it is based on false numbers.

I want to just start by talking about the revenue numbers. In 1994-95 the current Finance Minister (Mr. Stefanson) underestimated his revenues by \$143 million; in 1995-96, a little inflationary growth I guess, it went up to \$158 million. Continuing his pattern of underestimating, by 1996-97, he had got it up to \$179 million, underestimating revenues, just did not have enough money to keep our health care system from sinking into the sand and to keep our costs of property taxes for education from skyrocketing, did not have enough money to provide adequate support in the Department of the Environment or Natural Resources to forecast floods properly. We just had to cut, but, you know, at the end of the day, son of a gun, we had \$179 million more than we forecast.

Now, this year that we are still in, 1997-98, we got to the third quarter, and the Minister of Finance (Mr. Stefanson) has himself a fairly large problem. The Minister of Finance, in fact, might be likened, Mr. Deputy Speaker, to a carpenter, a fairly rough carpenter but a carpenter that builds a box out of fairly hefty wood, probably out of some kind of hardwood, oak or elm or something. He wakes up one morning and finds out that he is inside the box, and now he has to figure how he is going to get out.

Well, by the end of the third quarter, he knew that box was getting tighter and tighter because he now has to acknowledge that in three quarters of this year he has underestimated his revenues by \$191 million. Mr. Deputy Speaker, \$191 million is a lot of dollars. That is enough money to operate all, every last one, of the small rural hospitals in this province; \$191 million would provide quite a lot of support to our public school system. It would make quite a difference, for example, to the \$365 million that is being paid by property taxpayers because this government cut its funding to public schools by a cumulative amount of over \$400 per pupil, after inflation is taken into account, in their time in office. So by this point in the third quarter, December, the Finance minister says, son of a gun, there is \$191 million more than I thought was coming in; now, what are we going to do with that?

Well, he said, if we leave that sitting there in the third quarter, that is going to be very embarrassing, because I am going to have to acknowledge a surplus of over \$200 million, and Manitobans are not going to like that much when they are lying in the corridors of our hospitals and when their property taxes have skyrocketed and when the poverty rate among children is as high as it ever was and when food bank line-ups are longer than they ever were. Manitobans are not going to be pleased, the Finance minister said to himself, when they find out I am running a surplus of over \$200 million.

So we better deal with that. And he did. He did. He signed a special warrant with his good friend the Minister of Health (Mr. Praznik) and the Minister of Justice (Mr. Toews), another good friend, and the Minister of Education (Mrs. McIntosh), all of whom are present with us in the House today. They all ponied over to the Finance minister's office and said, sure, we

can push a little more money into our appropriation for the last couple of weeks of the year. We will just shovel some money into Health and Justice and Education about the first week in March.

* (1740)

Now, there are just three weeks left to go in the year, but that will not bother them. That money will get spent. I am sure it will get spent, even though last year they did the same thing and underspent their Health budget by \$11 million. But I am sure you will get it spent this year because they are a hardworking group, the four of them that are over there consulting and confabbing with each other.

They will get that extra money spent so that the Finance minister's surplus will stay reasonable, and Manitobans will not see clearly what those who read the budget actually know; that is, that unless he had shovelled \$98 million more into health care, he would have had to show a \$98-million higher surplus. Unless he had shovelled another \$17 million into Education and another \$11 million into Justice, he would have had to show a surplus that was \$140 million higher, and, in fact, at the end of the year the Finance minister knows he is going to have to show a surplus of over \$100 million even with his extra spending.

So he has kind of got himself inside this little box. Of course, the box comes from, as the Finance Minister knows full well, the time-honoured practice of doing budgets on a budget-to-budget basis. So you take last year's budget as your starting point and you tune it up for this year even though you know when you stand in the House on budget day that last year's budget, if not meaningless, certainly is different now that most of the year has gone by.

You at least know three-quarters of the year's results, and you know—because the Finance Minister I know reads the Fiscal Monitor every month when it comes out the third week of each month from Ottawa. I am sure he pulls that down off the Web, and he reads it and says, you know, goodness gracious, the federal government's revenues have grown by 8.8 percent this year; taxation revenue is up 8.8 percent. Now, how am I going to explain to Manitobans while I have said out of the left side of my mouth that our economy is

growing like crazy and we have got lots of new employment, wages are going up, but my revenues are only growing at 1 percent or 2 percent, how am I going to explain that to any thinking Manitoban? We have got a buoyant, booming, record-breaking economy, he says on Monday, and on Tuesday he has only got 2 percent revenue growth over against the federal government's 8.8 percent revenue growth.

The Finance minister knows the truth, because he reads the reports. In fact, the Finance minister gets a monthly statement showing how much revenue Manitoba really has gotten. He knows that he has already gotten way over \$200 million more than he budgeted for. So he has got a problem, and he fixed the problem optically by stuffing \$98 million more into health care so that his surplus for the current fiscal year would look respectable.

But he has also continued the fiction about no revenue growth in this budget. The Finance minister (Mr. Stefanson) is an accountant, and I do not think he likes being dishonest with Manitobans, but I would wonder how he could explain these figures other than calculated, intentional misrepresentation of reality.

Let me just go through these figures, Mr. Deputy Speaker. The Finance minister, in his budget which he delivered on Friday, says that this year Manitoba is going to get revenues of \$5.6 billion before the extraordinary things that he is drawing out of the Fiscal Stabilization Fund.

Now, this draw on revenues includes \$60 million from the Fiscal Stabilization Fund. Here is a kind of interesting contradiction right in itself. He brags in so many of his statements about the buoyancy of our economy, the buoyancy of our revenues, the buoyancy of our employment. The Finance minister loves to take credit for those things, and here he is in self-proclaimed and self-described buoyant times drawing on his rainy day fund for ordinary expenditures. What prudent Finance minister would draw on his stabilization fund to support expenditures in the most buoyant of economic times? Why would you do that?

Well, the answer for those who have not gone through the budget is because he is misleading Manitobans about the revenues. That is the problem,

you see. When you understate your revenues by a couple of hundred million dollars, you cannot balance your budget. He has a rather large obsession about balancing his budget so, in order to make the paper balance work, he takes some money out of his Fiscal Stabilization Fund. Presto chango, a balanced budget.

But, you know, if you went to the people in my constituency and said, would you think it was a balanced budget if you had to take \$60 million out of your savings account to run a \$23-million surplus? Most of my constituents would scratch their heads for a very short time and say: that fellow cannot add. When you have to draw \$60 million out of the bank to run a \$23 million surplus, your budget is not balanced. It would be a very interesting case to put before the Legislature as to whether the government is in fact in breach of its own balanced budget act because the rainy day fund, the Fiscal Stabilization Fund, was supposed to only be used when times were bad.

Now, they have a tough choice here. Are times good? They say yes. Why are you using the Fiscal Stabilization Fund? Well, because we had to balance the budget or perhaps it is not just because they had to balance the budget, it is because they are misleading Manitobans about their revenues, so they have got themselves in this little box. The box understates your revenue, so you have lots of room for election time to give away goodies, so that you can keep the reins on spending by saying, oh, we do not have the revenue, we do not have the revenue. Then you have to take money out of your Fiscal Stabilization Fund to comply with your balanced budget act. That is what is going on here.

At the end of the day there will not be any draw on the Fiscal Stabilization Fund. There will not be a draw on it this year. There will not be a draw on it next year because wonder of wonders there is \$200 million more in revenue than you told us about, so it turns out at the end of the day we did not need that old Fiscal Stabilization Fund draw after all. Are we not good managers?

Well, no, you are not particularly good managers, Mr. Deputy Speaker, but you are good at misleading Manitobans about the true picture in the budget.

Let me talk about the revenues for this year. The Finance minister is telling us, is trying to tell us that this year net of the draw on the Fiscal Stabilization Fund, he is going to get \$5,540 million in ordinary revenues. And in spite of his rhetoric about needing to compensate for federal transfer reductions, federal transfers are going up this year by \$37 million. So you have got to take that \$37 million off his \$5,540 million and you get the real revenue for Manitoba then—\$5,502 million—\$5,503, sorry. I will not say, what is a million?

And what is he projecting for the current fiscal year? What is he actually projecting? Well, he is projecting—I will not go through the math—but he is projecting \$5,502 million. In other words, this buoyant economy that the Finance minister is trumpeting all over Manitoba is going to produce for him the grand sum of \$1 million in new revenue.

* (1750)

Now, I do not think the Finance minister is a particularly credulous man. I do not think he is going to believe that himself. I think he stood up here and told us a great, big whopper that he knows to be untrue. And I do not think that is something that Finance ministers ought to do in this province or in any other province.

If the Minister of Justice has a problem, he should get up and make a point. I think the Minister of Finance is quite capable of defending himself, and I have not seen him rise, because he *would* have to—

Point of Order

Mr. Deputy Speaker: Order, please. The honourable government House leader, on a point of order.

Hon. James McCrae (Government House Leader): I am attempting to hear all the words uttered this afternoon by the honourable member for Crescentwood. I believe the latest batch of words used by the honourable member would, to himself, if, on careful reflection perhaps, be deemed by himself to be somewhat in excess of what our practices and traditions would allow. I would ask the honourable member to perhaps keep that in mind as he proceeds with his participation this afternoon.

Mr. Deputy Speaker: The honourable member for Crescentwood, on the same point of order.

Mr. Sale: The same point of order. Our rules are very important, Mr. Deputy Speaker. The most solemn document of the government's year is its budget, and Manitobans are entitled to be able to put faith and belief in the words of the Finance minister when he rises in this House and says: These are the financial facts.

I have simply pointed out that, when a Finance minister suggests that there will be only \$1 million of revenue growth in a year, he describes himself as buoyant and in a year in which he talks about nominal GDP as rising by 4.2 percent, it is not a credible estimate, not a credible number, and he ought not to put forward numbers that are not credible and not based on his own estimates of revenue growth. It is not appropriate for him to do that, and I would ask you to rule however you may on this point of order, but I understand nothing in the words I said to be inappropriate or untrue.

Mr. Deputy Speaker: Order, please. The members put the Deputy Speaker and the Speaker in an awkward position at times because some language can be ruled parliamentary or unparliamentary depending on how it is put across. At this time the honourable member did phrase that statement—a whopper which he knows is untrue. In my estimation that would be calling it a lie, and that would be unparliamentary, and I would ask the honourable member to retract that statement because I do believe that would be, with my understanding, unparliamentary, so if I could ask the honourable member to retract that statement at this time.

Mr. Sale: Mr. Deputy Speaker, I retract those words.

Mr. Deputy Speaker: Thank you. Could I just interrupt for just one moment. Earlier on in your presentation—and I understand that it gets very heated during debates, but I choose to listen to the words very carefully being spoken by both sides of the House. Once in a while we start to get carried away. I like to basically review some of what has been said. One of your lines that you used was bearing very close to the line, and I would ask that it not be used again. I am not going to rule it unparliamentary at this time because I

think that we should be allowed to use the words to find out if it is, but when you spoke of “intentional misrepresentation,” “intentional” does fall in when you take into account “intentionally to mislead,” which would be along very close lines of “intentionally to misrepresent,” which follows very close to “deliberately misleading.” So we are choosing our words carefully not to get caught, but I do believe that they are starting to reflect badly on the mood of the House. So, if I could ask members to choose their words carefully, I would appreciate it.

* * *

Mr. Deputy Speaker: The honourable member for Crescentwood, to continue.

Mr. Sale: Thank you, Mr. Deputy Speaker, for that guidance. I think just to reflect on that for a moment, there are very good reasons for our rules, but it seems to me that honourable members who present information to the House are bound by the same kind of rules, and we have a situation where we are being asked to criticize a budget that I believe is factually in error, that will not stand any kind of strong analysis, that will not stand any analysis by any objective party in regard to the revenue side in particular, that the Finance minister knows that the revenues will be different from the revenues that he is suggesting. He knows that this year's will be different. So it is very difficult to criticize without, in fact, raising the question about whether this document is indeed a document that fairly reflects the truth.

So I take your guidance, and I will try to be careful with my wording, but I also say that it is very difficult then to criticize this document fairly and honestly, because it is not in itself a document based on a reasonable set of numbers.

Let me go on to a couple of other issues in the couple of minutes before we adjourn for supper. I want to deal with this issue of the special warrant.

You know, the Finance minister tries to put forward the idea that it somehow does not matter when you approve new spending, and there is a small amount of reality to that. New spending is, of course, new spending, but it verges on misrepresentation when it is

suggested that all of that new spending is taking place in a year when in fact the Finance minister has acknowledged today in the House that most of it was approved in the previous year. So, yes, the previous year's spending went up, and then we get on the slippery slope of how much did the year before that go up. Well, last year's spending in health went up by \$70 million over the initial approved base. During the current fiscal year, it went up by \$98 million over the approved base, but the approved base was already wrong. So we are dealing with quicksand and confusion when we are trying to find out what in fact the government has actually done in health spending.

We know from doing a straight projection based on the CPI that they are down \$183 per Manitoban on health spending over their time in office.

Mr. Deputy Speaker: Order, please. When this matter is again before the House, the honourable member for Crescentwood (Mr. Sale) will have 24 minutes remaining.

The hour being 6 p.m., this House is now adjourned and stands adjourned until tomorrow (Tuesday) at 1:30 p.m.

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, March 9, 1998

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