

Second Session — Thirty-Second Legislature

of the

Legislative Assembly of Manitoba

DEBATES and PROCEEDINGS

31 Elizabeth II

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MANITOBA LEGISLATIVE ASSEMBLY Thirty-Second Legislature

Members, Constituencies and Political Affiliation

Na	Caratituran	
Name ADAM, Hon. A.R. (Pete)	Constituency	Party
	Ste. Rose	NDP
ANSTETT, Andy	Springfield	NDP
ASHTON, Steve	Thompson	NDP
BANMAN, Robert (Bob)	La Verendrye	PC
BLAKE, David R. (Dave)	Minnedosa	PC
BROWN, Arnold	Rhineland	PC
BUCKLASCHUK, John M.	Gimli	NDP
CARROLL, Q.C., Henry N.	Brandon West	IND
CORRIN, Brian	Ellice	NDP
COWAN, Hon. Jay	Churchill	NDP
DESJARDINS, Hon. Laurent	St. Boniface	NDP
DODICK, Doreen	Riel	NDP
DOERN, Russell	Elmwood	NDP
DOLIN, Mary Beth	Kildonan	NDP
DOWNEY, James E.	Arthur	PC
DRIEDGER, Albert	Emerson	PC
ENNS, Harry	Lakeside	PC
EVANS, Hon. Leonard S.	Brandon East	NDP
EYLER, Phil	River East	NDP
FILMON, Gary	Tuxedo	PC
FOX, Peter	Concordia	NDP
GOURLAY, D.M. (Doug)	Swan River	PC
GRAHAM, Harry	Virden	PC
HAMMOND, Gerrie	Kirkfield Park	PC
HARAPIAK, Harry M.	The Pas	NDP
HARPER, Elijah	Rupertsland	NDP
HEMPHILL, Hon. Maureen	Logan	NDP
HYDE, Lloyd	Portage la Prairie	PC
JOHNSTON, J. Frank	Sturgeon Creek	PC
KOSTYRA, Hon. Eugene	Seven Oaks	NDP
KOVNATS, Abe	Niakwa	PC
LECUYER, Gérard	Radisson	NDP
LYON, Q.C., Hon. Sterling	Charleswood	PC
MACKLING, Q.C., Hon. Al	St. James	NDP
MALINOWSKI, Donald M.	St. Johns	NDP
MANNESS, Clayton	Morris	PC
McKENZIE, J. Wally	Roblin-Russell	PC
MERCIER, Q.C., G.W.J. (Gerry)	St. Norbert	PC
NORDMAN, Rurik (Ric)	Assiniboia	PC
OLESON, Charlotte	Gladstone	PC
ORCHARD, Donald	Pembina	PC
PAWLEY, Q.C., Hon. Howard R.	Selkirk	NDP
PARASIUK, Hon. Wilson	Transcona	NDP
PENNER, Q.C., Hon. Roland	Fort Rouge	NDP
PHILLIPS, Myrna A.	Wolseley	NDP
PLOHMAN, John	Dauphin	NDP
RANSOM, A. Brian	Turtle Mountain	PC
SANTOS, Conrad	Burrows	NDP
SCHROEDER, Hon. Vic	Rossmere	NDP
SCOTT, Don	Inkster	NDP
SHERMAN, L.R. (Bud)	Fort Garry	PC
SMITH, Hon. Muriel	Osborne	NDP
STEEN, Warren	River Heights	PC
STORIE, Jerry T.	Flin Flon	NDP
URUSKI, Hon. Bill	Interlake	NDP
USKIW, Hon. Samuel	Lac du Bonnet	NDP
WALDING, Hon. D. James	St. Vital	NDP

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, 10 December, 1982

Time - 10:00 a.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. J. Walding: Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . .

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

RETURN TO ORDER NO. 15

MR. SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Thank you, Mr. Speaker. I beg leave to file the Return to Order of the house No. 15 dated June 29, 1982, on the motion of the Honourable Member for Lakeside.

MR. SPEAKER: The Honourable Minister of Government Services.

HON. J. PLOHMAN: Mr. Speaker, I would like to table the report of the Manitoba Telephone System for the year 1981-82; and the report of the Board of Internal Economy.

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

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we reach Oral Question period I direct the attention of honourable members to the gallery where we have 35 students of Grade 9 standing from the Landmark Collegiate.

These students are under the direction of Mr. Neufeld and Mr. Reimer. The school is located in the constituency of the Honourable Member for Springfield.

On behalf of all of the members, I welcome you here this morning.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

Re Speaker's rulings

HON. S. LYON: Yes, Mr. Speaker. I have a question for the First Minister. Did the First Minister, Mr. Speaker, any member of his caucus or any third party, for or on behalf of the First Minister or members of the government, make any contact directly or indirectly with Mr. Speaker on December 9th, relative to his rulings during the speech given by the Honourable Member for Fort Garry on the afternoon of December 9th?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: I called upon Mr. Speaker personally at 5:35 p.m. yesterday, in order to advise the Speaker that I wanted a copy of the transcript pertaining to the proceedings in the latter part of the afternoon and indicated to the Speaker that I felt that some unparliamentary language had been utilized, particularly in respect to some references by the Member for FortGarry in relationship to myself, and that I expected, upon perusal of the transcript, to raise a matter of privilege at 8 o'clock.

HON. S. LYON: Well, Mr. Speaker, given the answer by the First Minister, I must say, Sir, with the greatest of respect to you, that his answer calls for a substantive motion which would have this matter referred immediately to the Privileges and Elections Committee because there has been, by virtue of the answer given this morning, a suggestion of high impropriety with respect to your ability, Sir, to carry on in your position

It's my intention then, Sir, to move a substantive motion that this whole matter be referred to Privileges and Elections where evidence can be taken under Oath in order to determine what prompted the outburst from you, Sir, last evening. I hope we will have the support, Mr. Speaker, of the members of the government to have this referred immediately.

MR. SPEAKER: The Attorney-General.

HON. R. PENNER: Mr. Speaker, first of all, further in response to the first question asked by the Leader of the Opposition, at approximately 7:50 p.m. yesterday evening I called at your office to pick up a copy of the transcript which had been requested by the First Minister and picked up that transcript, and shortly after left your office. That will complete the record on that, as far as I'm aware.

Secondly, with respect to the suggestion by the Honourable Leader of the Opposition, the office of the Speaker is open to any member of the House and may call upon the Speaker to raise a question with the Speaker at any time, and to ask the Speaker to furnish a transcript when Hansard is not available; to go as far as the First Minister has said that he has gone to say that there's a point that concerns him and that is why he is asking for the transcript, that is perfectly proper to suggest that it is improper; and then to go ahead and say, Sir, that you in the exercise of your duty, having calmly or attempted to calmly read a ruling which was entirely yours, that this was - what was the language - an outburst on your part as a further attempt to derogate the office of the Speaker, which is lamentable in the extreme.

HON. S. LYON: Mr. Speaker, I must rise to make this point. I suppose it would be a point of order arising from the comments made by the House Leader and the First Minister.

The suggestions that contacts with you, Sir, reflecting upon a decision that you made earlier in the day are not improper, do not have any acceptance on this side of the House, or indeed in the precedence of any

parliament, and I can only say, Sir, and I say it with great respect, that we will be bringing a substantive motion to have all of this referred to Privileges and Elections. I can't honestly, Sir, offer you any advice in the meantime but I suggest, Sir, that your position has become untenable in the House.

MR. SPEAKER: The Honourable Member for Fort Garry.

Increase in health care construction

MR. L. SHERMAN: Thank you, Mr. Speaker. My question is to the Honourable First Minister. In view of the fact, Sir, that the Honourable First Minister has seen fit to make an issue of this, not when I said it but several hours later in the House last night, I would now ask the honourable gentleman if he can confirm that in a recent address to an audience in Vancouver he stated that in the past year, under his government, Manitoba has enjoyed "an increase of almost 100 percent in health construction."

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, yes, and it is based upon the figures as per the Budget Address of the past spring.

MR. L. SHERMAN: Mr. Speaker, can the Honourable First Minister also confirm that he made the same statement, the same principle, in slightly different form in his year-end statement, meeting the challenges in Manitoba, to the effect that "restoration of the health care system has been led by an increase of almost 100 percent in health construction."

HON. H. PAWLEY: Mr. Speaker, we recall very well the freeze that had been imposed by the previous government pertaining to hospital and personal care homes. The fact that this government, in the first year of it being in government as per the announcements, as per the work that has already been commenced, has indicated a forward thrust pertaining to hospital and personal care home construction in Manitoba.

MR.L. SHERMAN: Mr. Speaker, with the particularly acute memory that the Honourable First Minister seems to have for the last four years, does the First Minister remember two other facts; the fact that the Capital Construction Program in the health facility field, under the Lyon administration in that four year period, totalled \$234 million and that in the fiscal year 1981-82 the program was \$34 million? Does he recall those figures and facts, Mr. Speaker?

HON. H. PAWLEY: Mr. Speaker, we'll certainly check any and all figures that the Member for Fort Garry raises. It doesn't require acute memory on the part of any Manitoban to recall very well how health care facilities, construction of same, were frozen, that they weren't proceeded with despite the fact that in many instances there was dire need for the proceeding of personal care home and hospital facilities, that they were long overdue. It was the previous government, Mr. Speaker, that froze tenders, and froze the pro-

ceeding of various hospital and personal care homes in the Province of Manitoba.

MR.L. SHERMAN: Mr. Speaker, does the First Minister recall the statement on Capital construction delivered in this House on April 27, 1982 by his Minister of Health, the Honourable Member for St. Boniface, outlining the fact that the Capital program for the current fiscal year in terms of new approvals and new construction which, Sir, is not, by the way, accurate, because none of them were new approvals for new construction, but even granting him that point, that the total was \$21.5 million? And then when he makes a statement in this release and in Vancouver, claiming a 100 percent or an almost 100 percent increase in health care construction, he has got to be able to demonstrate from some \$65 million to \$66 million to \$68 million worth of health care construction under his government this year. I challenge him and ask him now, Sir, to demonstrate that and show those figures.

HON. H. PAWLEY: Mr. Speaker, we'll be quite pleased and quite happy to deal with those figures during the appropriate time, which is the time for Estimates. The figures speak very well for themselves, and the Minister of Health and myself.will be quite prepared to deal with the figures during the Estimates. Mr. Speaker, we will also be quite pleased and quite happy to deal with the figures for 1978, '79, '80 and '81 as well.

MR.L.SHERMAN: Mr. Speaker, my comment yesterday and the First Minister's motion of privilege, or his interjection of privilege - I don't know that he made a substantive motion - are based on a statement made by the Minister having to do with Capital construction in the health field under his government.

If he's claiming 100 percent increase and now wants to talk about four years, then he has to show us, not \$68 million but \$468 million, so I suggest he stick to one year, Mr. Speaker. He's talking about four years. All right, then give me \$234 million doubled and he can't do that, so let us stick to the one year and you introduced a program of \$21.5 million. Ours in the last year was 34 — (Interjection)—

MR. SPEAKER: Order please.

The Honourable Government House Leader on a point of order.

HON. R. PENNER: The Honourable Member for Fort Garry in another fit of passion is making a speech, is not asking a question, hasn't been raising a preamble to a question and is clearly out of order.

MR. SPEAKER: Does the Honourable Member for Fort Garry have a question?

MR. L. SHERMAN: Yes, Mr. Speaker. Would the Honourable First Minister deliver chapter and verse on his claim during this pre-Christmas sitting of the House. He knows full well that we probably won't be into the Estimates on the Department of Health 'til February or March or perhaps even later. He has made a statement, both on the west coast and here, that, Sir, is patently untrue and inaccurate. If he believes that it's true and accurate, then it's his responsibility

My question is as asked a few moments ago, for those in the back row who refuse to listen: will the Honourable the First Minister deliver chapter and verse and documentation on that claim in this pre-Christmas sitting of the Legislature?

MR. SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Mr. Speaker, one of the important tasks of this House is to look at the Estimates. During the time of the Estimates all the questions are answered and I say to this House that I'll have all pertinent information and then some when my Estimates . . .

MR. L. SHERMAN: Mr. Speaker, one final question. May we then, and may the public of Manitoba then conclude from the posture of the First Minister that he does not intend to attempt to back up that statement?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, what is basically at issue is unparliamentary language, which was uncharacteristic I had thought of the Member for Fort Garry yesterday. Mr. Speaker, what I'm noting this morning is an effort on the part of the Member for Fort Garry to divert attention from the nature of the language that he utilized yesterday in the afternoon Session to reduce the argument to a question of whether or not the information was erroneous. What we are dealing with in respect to his comments is language that was quite unparliamentary yesterday.

Mr. Speaker, as the Minister of Health has indicated, we are quite prepared to deal with these questions during the appropriate time which is the Estimates of the review of the Department of Health, when, Mr. Speaker —(Interjection)—

MR. SPEAKER: Order please.

HON. H. PAWLEY: You know, Mr. Speaker, I must say I think it's time that everybody in this House attempted to restore some decorum to this Legislature. Manitobans expect that of us, Mr. Speaker, and certainly the last few hours have not demonstrated that and the use of unparliamentary language in this House, whether it's on that side or this side, must be dealt with by the members in this Chamber.

Mr. Speaker, we'll be quite happy to deal with the specifics, chapter and verse, during the Estimate review, which is the appropriate time.

MR. SPEAKER: The Honourable Leader of the Opposition.

HON. S. LYON: Mr. Speaker, given the inability or the failure of the First Minister to answer the very simple queston about statements that he has made publicly outside of this province and inside this province, which he fails to substantiate, will he at least then give the undertaking to the House and to the people of Manitoba that he will not repeat these untruthful statements until he has produced evidence before the House that they are true?

HON. H. PAWLEY: I will not commit myself to repeating statements that are true.

MR. SPEAKER: The Honourable Member for Turtle Mountain

Refinancing requirement of Government

MR. A. RANSOM: Mr. Speaker, my question is to the Minister of Finance. Can the Minister of Finance advise the House what he expects will be the magnitude of the refinancing requirement of the government in 1983-84?

MR. SPEAKER: The Honourable Minister of Finance.

HON. V. SCHROEDER: Mr. Speaker, I will take that question as notice.

Study of Dr. Barber

MR. A. RANSOM: Mr. Speaker, a further question to the Minister of Finance. Can the Minister of Finance assure the House that Dr. Clarence Barber, who has been appointed by the government to examine possible alternative ways for presenting the budgetary statement of the government, can the Minister assure the House that Dr. Barber has not already made up his mind with respect to this issue and that he will, in fact, review it in the objective fashion that one would expect from an academic person in his position?

HON, V. SCHROEDER: Mr. Speaker, that's an insinuation that I think reflects, not on Professor Barber. but rather on the member who would make it. Just within the last few months there was a national symposium of economists who met here in Winnipeg, and he was one of the honoured guests at that symposium. He is recognized across Canada as one of the most able people in his profession, and for the Member for Turtle Mountain to impugn of the man's integrity, to suggest that Professor Barber would accept a job, an assignment, to do a study which he had already completed, which he had already an answer for is something that is, quite frankly, shocking. Professor Barber has indeed started the study. I expect that he will be finished, hopefully before we get back into Session in the New Year. I do not believe for one minute, not for one minute, that he would have commenced a study, the conclusion of which he had already come to before he commenced it.

MR. SPEAKER: The Member for Turtle Mountain.

MR. A. RANSOM: Mr. Speaker, I draw to the Minister of Finance's attention and to your attention, Sir, a letter which appeared in the Free Press on December 5, 1981, a letter signed by Clarence L. Barber, Professor of Economics, University of Manitoba. The letter says in part, Mr. Speaker, "The new government," and this is a direct quotation, "would be wise to restore the Capital Budget approach used by the Roblin and Schreyer Governments, this would reduce the deficit substantially. In addition, some two-thirds or more of the \$94 million budgeted for debt charges is properly classified as a Current Expenditure. It simply helps

compensate the holders of Manitoba bonds for the fall in the buying power of their assets. Transfer of this amount to Capital Account would reduce the apparent deficit by a further \$60 million." End of quotation, Mr. Speaker.

In view of the fact that Dr. Clarence L. Barber is already on the record as having taken a position with respect to the presentation of the Estimates, will the Minister of Finance now cancel that appointment of Dr. Barber on the grounds that he already has come to a conclusion before the Minister of Finance even asked him to undertake the study?

HON. V. SCHROEDER: Mr. Speaker, the members opposite have frequently used the services of certain economists. I don't want to name them; I don't want to go around impuning the motives of those economists. Certainly, Professor Barber has opinions; he is not an individual who walks around in life without opinions, and I am not answerable for the opinions which a person who is not a member of this House had a year ago. He has undertaken a study for this government and he will provide us with a report.

MR. SPEAKER: Honourable Member for St. Norbert.

Logan Avenue Park Plan

MR. G. MERCIER: Mr. Speaker, I have a question for the Minister of Urban Affairs. Mr. Speaker, in view of the fact that the Commissioner of Environment of the City of Winnipeg, Mr. Henderson, has stated that if the Minister's Logan Avenue Plan was brought forward by a private developer it wouldn't have a chance, and in view of the fact that the City's Chief Planner, Len Vopnsjord, has indicated that the Planning Department prefers the original plan, is the Minister prepared to change what he has proposed to the City of Winnipeg?

MR. SPEAKER: The Honourable Minister of Cultural Affairs

HON. E. KOSTYRA: No. Mr. Speaker.

MR. G. MERCIER: Well, Mr. Speaker, in view of the fact that it has been stated by many members of council that the plan, as proposed by Mayor Norrie, was only brought forward in order to placate the Minister; in view of the statements by the professional planning people at the City, is he not prepared to give some consideration to those comments?

HON. E. KOSTYRA: Thank you, Mr. Speaker. Yesterday, the Executive Policy Committee of the City of Winnipeg passed and made a recommendation that's going to full council with respect to the issue of the modified Logan Avenue Industrial Plan, a position that wasadopted by the vast majority of the Executive Policy Committee. It seems to me that the decision-making body for the City of Winnipeg is the City Council and its structures, including the Executive Policy Committee, not the senior administration of the City of Winnipeg.

MR. G.MERCIER: Mr. Speaker; in view of the fact that

the Mayor has indicated that this plan is being brought forward only for political reasons because the Minister of Urban Affairs has taken such an irrevocable position and not prepared to concede to the City's wishes, Mr. Speaker, and in view of the fact that the Chairman of the Planning Committee of Council, the NDP memberfor council, Mr. Skowron, has described Mr. Kostyra's plan, the Minister's plan, as an abortion and a bastardization of the original industrial park, does he not, Mr. Speaker, in view of the comments coming from the NDP Urban Affairs wing of the party and the Chairman of the Environment Committee, the political person heading the Planning Committee of the City, in view of that comment, is he not prepared to change his mind?

HON. E. KOSTYRA: Thank you, Mr. Speaker. The member seems to misunderstand what has taken place with respect to the Core Area Initiatives and, in particular, the Logan Avenue Industrial Park. It may be worthwhile, Mr. Speaker, just to take a couple of minutes to refresh the honourable member's memory.

We were faced with a situation when we came to government with respect to that part of the development of the core, that there was no involvement from the residents or businesses that were being affected by that development. In fact, Mr. Speaker, the right of any involvement by those residents or businesses was taken away by an Order-in-Council passed by, and presumably brought forward by that member who was Minister of Urban Affairs at the time, that took away the right of those residents and businesses in that area to have a say in what was happening to the neighbourhood.

In view of that fact, we put in place a Commission of Inquiry which held extensive public hearings, heard representations from businesses, residents, city officials, provincial officials, federal officials and other interested parties with respect to the plans for the Logan Avenue Industrial Park. That Commission of Inquiry reported early last summer and suggested that the plans for the Logan Avenue Industrial Park ought to be changed, in view of the changes in the economy, the changes with respect to the Core Area Initiatives and suggested that there ought to be a mix of residential and businesses in that area. That plan was adopted and supported by the province and we engaged in discussions with the city through its Mayor and the Federal Government with respect to the adoption of that plan. These discussions have been ongoing to the point that both the Federal Government, the city and the province have agreed on a plan of action for a combined residential and industrial area for Logan Avenue that will meet the needs of the residents of the core area and will work to meet the employment objectives of the Core Area Initiative. That was passed unanimously by the Policy Committee and recommended to the city and that's the process that's been taking place right now.

I support the compromise that was worked out by the Mayor and the federal Minister.

MR. G. MERCIER: Mr. Speaker, could the Minister advise this House whether or not he has threatened or advised other partners in this plan, that he would not proceed with other segments of the Core Area Iniatia-

tive Plan unless they agreed with his proposal for the Logan Avenue Industrial Park?

MR. SPEAKER: The Honourable Minister of Cultural Affairs

HON. E. KOSTYRA: Mr. Speaker, the very simple answer to that question is, no. —(Interjection)—Would you like to hear the truth? The truth is, that at no time did the province ever suggest to the city or the Federal Government that it would withdraw or make any drastic changes to the Core Initiative Plan over the Logan Avenue Industrial Park. At no time was that ever stated, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Tuxedo.

Life insurance industry - government entry

Mr. G. FILMON: Thank you, Mr. Speaker. My question is for the Honourable Minister responsible for the administration of The Insurance Act in Manitoba.

My question is, Mr. Speaker, is the Minister aware of any problems in the life insurance industry in this province that would warrant the entry of the province into the life insurance sales field in Manitoba?

MR. SPEAKER: The Honourable Minister of Consumer and Corporate Affairs.

HON. J. BUCKLASCHUK: Thank you, Mr. Speaker. As the Minister responsible for The Manitoba Public Insurance Corporation Act-I presume that's the Minister that the Member for Tuxedo addressed the question to - or for the Office of the Superintendent of Insurance, yes, that's within Consumer and Corporate Affairs. I am not aware of any problem that the Member for Tuxedo alluded to. We did say in the Speech from the Throne, that amendments will be brought in topermit the province to get into the field of life insurance and pension management.

MR. G. FILMON: Mr. Speaker, then as a follow-up, the Minister responsible for this particular area of the province's actions, can he tell us if the Superintendent of Insurance - that person responsible for the regulation and administration of the life insurance industry in this province - has recommended the entry of the province into the life insurance field through the establishment of a publicly held insurance corporation?

HON. E. KOSTYRA: Thank you, Mr. Speaker. It is not the responsibility of the Superintendent of Insurance to determine what government policy is. That is the role of —(Interjection)—no, he has not recommended that. That's not his role.

Education funding

MR. G. FILMON: Mr. Speaker, my question is to the Honourable Minister of Education.

In view of the fact that the Minister has recently announced an increase in funding for the public school system in Manitoba for the forthcoming year of 10.4 percent over last year, will she be giving a similar

increase in funding to private and parochial schools in the province this year?

MR. SPEAKER: The Honourable Minister of Education

HON. M. HEMPHILL: Mr. Speaker, the information went out to school boards that we would be maintaining the 10.4 increase that was in the Education Support Program because that was a legislated program. They were preparing their budgets and they had to have that specific information in order to be able to continue with their budget process. We will be determining the other allocations of money in the education system through the Estimates process that we are presently undertaking.

Wildlife status report

MR. SPEAKER: The Honourable Member for Turtle Mountain

MR. A. RANSOM: Mr. Speaker, my question is for the Minister of Natural Resources.

The Wildlife Act requires that the Minister of Natural Resources table a report every five years having to do with the status of wildlife populations and the government's efforts at managing those populations. That first five-year report was due the 1st of October, 1982 under the requirements of the Act, Mr. Speaker. I wonder if the Minister can advise the House when we might expect to have the report?

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. A. MACKLING: Mr. Speaker, I'm sure the department will be giving me details of the report and I will be able to table the report during the course of this Session.

MR. A. RANSOM: Mr. Speaker, since the statutory requirement called for an October 1st tabling of the report of this year and we are now well into December, would the Minister undertake to distribute the report to members of the Legislature as soon as it is available, unless of course he is saying that the report will be available before we rise next week sometime?

HON. A. MACKLING: Mr. Speaker, perhaps I should take the question as notice but I want to make it clear that as soon as the report is ready, it will be made available to the House.

Fishing regulations

MR. A. RANSOM: I thank the Honourable Minister for that answer. Mr. Speaker, another question to the Minister of Natural Resources. Over the past few years the department had been negotiating with Indian Bands and representatives of the Indian people in the province and with the Federal Government to make changes in the fisheries regulations which would restore some of the Treaty rights to Indian people with respect to fishing, has the Minister been able to conclude those discussions and to have new regulations

passed under The Fisheries Act in Ottawa?

HON. A. MACKLING: Mr. Speaker, I would like to confirm what the honourable member has indicated. There had been initiatives taken in respect to the development of a regulation, some clarification of the domestic fishing rights of Native people in the Province of Manitoba. The efforts had somehow become stalled; they were reviewed. We had a number of meetings with interested people, including a broad representation of Native people, considerable input on this matter by a Council on behalf of Native organizations, and that work is still ongoing.

We have had further meetings. There still doesn't seem to be a complete rationalization of all the issues and I think perhaps there may be some reluctance at this time on the part of some Native people to conclude this matter because of the upcoming negotiations in respect to a clarification of their rights in the pending Constitutional discussions.

MR. SPEAKER: The Honourable Member for Lakeside.

Wild rice study

MR. H. ENNS: To the same Minister. My question is, has the Minister received the study from his former colleague, one Mr. Harvey Bostrom, who was commissioned by this government to study the study that I commissioned on the wild rice question some time ago? Has that report from Mr. Bostrom been received by the government?

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. A. MACKLING: Yes, Mr. Speaker. Just to refresh the honourable member's memory, I confirmed that arrangement in the previous sitting of the House and indicated that the study had been completed, received and is part of the basis upon which we are drafting a new program in respect to wild rice.

MR. H. ENNS: Is it anticipated that it will require legislation that will be presented during the coming Session with respect to the wild rice industry?

HON. A. MACKLING: Mr. Speaker, I am somewhat amazed that the honourable member does not recall that in the Throne Speech specific reference is made to the introduction of a wild rice act.

Fishing regulations - progress

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. A. RANSOM: One follow-up question with respect to the fisheries regulations, Mr. Speaker. The present Minister of Northern Affairs, when he was in Opposition, had become agitated at one point over the lack of progress that had been made in bringing about these new regulations. Could I ask the Minister of Natural Resources if he has been in close consultation with the Minister of Northern Affairs or has the Minister of Northern Affairs been urging him to conclude

these regulations?

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. A. MACKLING: Mr. Speaker, I'd like to confirm to the House that the Minister of Northern Affairs and I, although we don't sit side by side, are in frequent contact in respect to areas of mutual concern in respect to matters affecting the rights of our constituents. He has been with me in making and considering observations and recommendations at numerous meetings and I value his input.

Emergency Interest Rate Relief Program

MR. A. RANSOM: Perhaps that's why nothing has happened, Mr. Speaker. My question is to the Minister of Agriculture.

As the Minister in charge of the Emergency Interest Rate Relief Program, does the Minister of Agriculture expect that funds allocated for that program will be fully expended by March 31, 1983 as budgeted?

MR. SPEAKER: The Honourable Minister of Agriculture

HON. B. URUSKI: Mr. Speaker, what I can confirm is that in terms of the farm and business sector, we are above the projections that we made in terms of reaching somewhere in the neighbourhood of 600 to 750 farmers on the program. We have close to 500 farmers now on the program within the first year of it. Whether all the funds will be expended by March 31, 1983, the member should know that it's a two-year program and will continue on for two years. I will take that question as notice and during the Estimates we'll certainly have ample time to discuss that.

MR. SPEAKER: The Honourable Member for La Verendrye.

Payroll Tax rebate

MR. R. BANMAN: Thank you, Mr. Speaker, I direct my question to the Minister of Finance and would ask the Minister whether or not the 1.5 percent payroll tax has been rebated to people who have qualified, in other words, businesses who have been eligible under the assistance program for the Interest Rate Relief Program.

MR. SPEAKER: The Honourable Minister of Finance.

HON. V. SCHROEDER: Thank you, Mr. Speaker. I'm not aware of any applications having been received but certainly if there were applications then they should have been processed and they should be receiving their rebates. If the honourable member has any information with respect to anyone who didn't get one I would be pleased to receive that and look into it.

MR. SPEAKER: The Honourable Minister of Housing.

Non-profit housing - Manigotagan

HON. J. STORIE: Mr. Speaker, in response to a ques-

tion yesterday from the Honourable Member for Sturgeon Creek with respect to the \$10,000 grant to the nonprofit housing corporation at Manigotagan, I would like to report that, yes, in fact the board did approve that grant on September 28th. Further, with respect to the figure that I gave the member concerning the cost of construction, I would like to indicate that the grant that the MHRC Board approved in the amount of \$10,000 is being matched by CMHC to build two square-log homes in the Manigotagan area and that the labour component of those two homes will be given on a voluntary basis.

The other home that was constructed by this method had a price tag of \$33,000, which included a labour component of approximately \$15,000 and materials of approximately \$15,000, the total cost of the house being \$33,307 which is substantially less than half the cost of the traditional type of housing that is being used for the Rural and Northern Housing Program.

It is significant that CMHC has seen fit to move in this direction, and we commend them for that. We expect that we'll be able to deliver twice the housing for half the cost. In doing that, Mr. Speaker, we will also be using local materials and local employees and benefiting the local economies of the communities in which those houses are built.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. J. JOHNSTON: I just would wonder, Mr. Speaker, I would ask the Minister if he did instruct the board to look up the report on the Wabowden homes that were done under the Schreyer administration, made out of logs - I don't know whether they were poplar or not at the cost of approximately \$76,000 apiece.

HON. J. STORIE: Mr. Speaker, those homes were not the same type of construction that is going on and, in addition, Mr. Speaker, with respect to the experimental homes that were built in Wabowden, let me say, Mr. Speaker, that over the past number of years we continued to build homes in Northern Manitoba that are of the plaster and glass variety that have a life span of approxmately 8 years. After that period of time we're looking at renovations in the range of \$15,000 and it is time, and this government intends to review those policies from time to time and to try some experimentation to adapt the products that we have locally to make affordable and comfortable homes. I should indicate, as well, that the homes we're talking about are 1,200 square feet, well insulated, triple pane homes for the price range that I'm talking about.

We are not going to sit back and continue to deliver homes to Northern Manitoba that are not acceptable to northeners, that don't last in the northern climate, and we intend to do some experimenting and I make no apologies for the fact that that happened in the past.

MR. J. JOHNSTON: Well, Mr. Speaker, I'm very pleased to hear that and that the experiments will take place and I hope that the government does listen to the experiments and not continue, as they did during their time, to build all the northern houses the way he says they shouldn't be built.

HON. J. STORIE: Sorry, Mr. Speaker, I missed the question.

INTRODUCTION OF GUESTS

MR. SPEAKER: Order please. Time for question period having expired, before we reach Orders for the Day, may I direct the attention of honourable members to the gallery where we have 27 students of Grade 11 standing from Kelvin High School. The students are under the direction of Mrs. Humphreys and the school is located in the constituency of the Honourable Member for River Heights.

There are 22 students of Grade 11 standing from the Gimli High School under the direction of Mr. Melnychuk. This school is in the constituency of the Honourable Minister of Consumer and Corporate Affairs.

On behalf of all the members I welcome you here this morning.

THRONE SPEECH DEBATE

MR. SPEAKER: On the proposed motion of the HonourableMemberforRiel and the proposed amendment thereto by the Honourable Leader of the Opposition, the Honourable Member for Minnedosa has 12 minutes remaining.

The Honourable Member for Minnedosa.

MR. D. BLAKE: Thank you, Mr. Speaker. It's a bit difficult to try and pick up where I left offlast evening because a number of things have happened in the intervening few hours and it's regrettable that my speech got knocked off the front page by other events that took place yesterday. However, I will try and get back to the theme that I was on last evening, Mr. Speaker.

We were talking about job creation and what this government has n't done in spite of their mouthings of the great and wonderful things that have happened. I won't go into the story of the unconsummated marriage where the husband had sat on the edge of the bed for so many days telling her how great things were going to be but nothing ever happened. After listening to the First Minister this morning on a small radio clip -· I'm sorry that I wasn't able to hear it all - I haven't heard such a sad tale of doom and gloom for many many a day, and I sympathize with the Minister, but I'm sure that he wasn't thinking along those lines last election when they brought out this Clear Choice for Manitobans, because there are so many items in here, Mr. Speaker, that we have brought up time and time again that we're not going to let them forget on that side of the House, clearly shading of the truth.

Mr. Speaker, the shelving of the mega projects that has been highlighted in many many articles I think is one of the sad tales, or sad stories that this government must share a tremendous amount of responsibility for. That was the one hope I think we had in Manitoba for providing some lasting and meaningful employment for the technical and the other young people that are going to be coming onto the work force - there was some hope for them. Listening to the First Minister this morning on his Manitoba report there just doesn't seem to be any hope left for anyone in the Province of Manitoba.

A MEMBER: You missed the happy ending.

MR. D. BLAKE: I didn't catch the happy ending and I'm sure there must be one there somewhere. But the state of the economy and the doomand gloom and the tone of his voice was not going to be very inspiring to any young person that was hoping to make their future in Manitoba.

The story that was reported on in the Report on Business went on to talk about those developments, Mr. Speaker, and they end up by saying, "this is the good news but the dark side is that Manitoba has insufficient resources to spark a boom and several expected mega projects have been postponed or cancelled," and we're going to be repeating this time and time again, Mr. Speaker, because this was the one chance, especially the Power Grid that was within our grasp and it's been frittered away.

The article goes on to say, "Premier Howard Pawley's New Democratic Government is severely handicapped." Well, there's no doubt about that. There's no doubt about them being handicapped, Mr. Speaker. They're taking credit for so many things that appear to be hopeful, that are hopeful signs.

We hear from the Minister of Housing that they now have their finger in the housing business and they've got their finger in the mining business, and in the oil business; but I think it's time, Mr. Speaker, where this government got their finger out and got something going for the people of Manitoba, the 52,000 people that are out there looking for work. The little makework projects like cutting scrub and things of that nature aren't really going to provide the jobs that we're looking for.

It brings us back, Mr. Speaker, to credibility and there's no question about it that this government has lost any shred of credibility that it might have had. I don't know how anyone out there is going to be able to believe the statements and the stories that are going to be coming across from members on that side after what we've just witnessed recently.

The Minister of Energy and Mines is so concerned about his credibility and about his accuracy. Well, Mr. Speaker, if he were to table the final position papers submitted by Manitoba to the other two governments in July of 1982, it might show what the facts were and clear up some of the innuendo, as they refer to it - and they refer to it as slurs and trying to discredit him - all he has to do is table that report and he could also enhance his position by having Mr. Blachford appear before the committee, as my leader has suggested. In fact, I think even in an editorial of the Free Press they ask him to do just that. I think that would be a good move on his part if he's concerned about his credibility, Mr. Speaker, because then we could find out just what the positions were and who was responsible for fumbling the ball and losing that project. That, as I say, is one of the ones that gave small hope to the workforce in Manitoba, and the spinoffs of course of that project are innumerable.

The cement business in the report to the government not too long ago - I won't go into it, I have a copy of it here - they report the problems that the cement industry is in. That project would have had a spinoff effect there. They're laying off people there. They need some large construction projects, some large

paving projects to keep their employees on full staff and of course, we know where the cuts are going to be now; they're going to be in road programs and things of that nature that would have used that. So the spinoff effects of some of these larger projects, Mr. Speaker, would have been just innumerable. It's the one little hope that the people of Manitoba and the younger people coming on the workforce had for finding employment and for staying in the province.

Well, Mr. Speaker, I know my time is running out. I thank you for the opportunity to take part in the Throne Speech Debate again this Session. In closing I would like to mention at this time that the Town of Minnedosa and the surrounding area will be celebrating their centennial year in 1983. Plans are well under way to mark that auspicious occasion notably and I would invite all members opposite to visit our area in 1983 on whatever occasion they might have to be in the district, because they will be welcome and I know they will enjoy our celebrations. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. R. DOERN: Thank you, Mr. Speaker. I want to begin by wishing you well on your term as Speaker. I want to wish you good health and continued competent rulings and tell you, in no uncertain terms, that you have my complete confidence as an independent, objective and fair arbiter of debate in the Chamber.

Mr. Speaker, there's been a couple of important changes in my life since last we met. Firstly, I was married on November 10, one month ago, to an attractive teacher; and secondly, I was elevated to the third tier in the Legislature. After 16 years in the second row, it's a change in position and in viewpoint and my first observation would be pass the oxygen mask, but I think it also gives a member a chance to look in a more objective fashion at the political world.

I want to also, in beginning, Mr. Speaker, congratulate the Member for Rupertsland, who I think made one of the finest speeches I ever heard in this Chamber. I think that speech will be reproduced and quoted for many years to come and should be widely disseminated.

I also want to say, Mr. Speaker, in opening, that I personally regret the attacks made on my colleague, the Minister of Corrections. I think I know why the Opposition is so determined to attack and discredit the Minister of Community Services and Corrections; it's basically because he was the architect of the NDP victory in 1977, Mr. Speaker. He provided the economic research upon — (Interjection) — well, I'm sorry I must have the wrong year. Mr. Speaker, Hansard correction, my colleague provided the economic research in the years that we were in Opposition, from 1977 to 1981. He provided the economic research and he led the economic attack which ultimately brought down the government.

I want to say, in terms of his record in regard to the City of Brandon, that he has done more as an individual for the City of Brandon than all of his predecessors combined. In fact, Mr. Speaker, the children of Brandon are not sure at Christmas time whether to send their letters to Santa Claus or to Uncle Len. both of

whom provide goodies for the girls and boys and the men and women of Brandon. and in his case, Mr. Speaker, many millions of dollars worth of construction projects and many millions of dollars worth of jobs and benefits to his area. The people have been well served by him in office.

Mr. Speaker, I want to talk first about the government, because I believe that although the government has done well in its first year in office, that it has not lived up to the expectations that some people have of what the New Democratic Party should, in fact, do. I think I speak for a lot of New Democrats who want a more activist government, particularly on economic issues; and secondly, on social issues. Mr. Speaker, the people out there, the people in the party, and the people in the public want action, and I believe that the government is responding too cautiously and too carefully to the requirements of our time. It's all very well to have your ear to the ground at all times, but the problem is that if you do that too often the blood rushes into your head, and it's necessary to stand back and to look at the broader issues and the broader challenges of our time.

Mr. Speaker, at some point, after issues have been studied and groups have worked together to solve the problems, it's necessary to take the action, and in particular, to provide the leadership that is necessary. I would quote one of my favourite sayings from one of the wisest men who ever walked the earth, Aristotle, that the object of all knowledge is action. It is not good enough to study, it is not good enough to examine. It must be necessary to act after the facts have been gathered and make a decision.

Mr. Speaker, I think there are a number of things that have to be done at this particular time by the government, and I realize that there is a broad limitation on the actions of any government in office in Canada at this time and that is, of course, the worldwide recession and the problem of federal cutbacks. But I want to say to the Ministers in the front bench and to the Premier in particular, that there are, I think, four things that should be done at this particular point in time.

Mr. Speaker, one problem that the government faces that's hanging up the government and to an extent making the administration nervous, is the size of the deficit. Now, you know, I have been in this House since 1966. I recall very clearly how the deficits were handled and how the Budgets were made, and Duff Roblin, who was, I think, one of the more progressive Premiers in the history of this province, divided the Budget into Current and Capital Expenditures. That, of course, is the only logical way to do things. But in 1977, when our government was defeated, the Lyon administration decided that they could make the previous administration look bad by combining these figures, so they combined Current and Capital in an attempt to make the Schreyer deficit look larger. You know what, Mr. Speaker? They succeeded. They were successful in suggesting to the public that the Schrever administration had spent a lot of money and had run a high deficit.

Now, there's only one problem with that particular approach, and that is that then, they themselves became the victim of that particular strategy. As we used to say - and we had this debate within our own

caucus on a few occasions when the former Member for Logan was here - they hoisted themselves on their own petard. That hurts when you do that, I say to the Member for Lakeside.

So, Mr. Speaker, that's what was done. They took Current and Capital, made the Schreyer Government look bad in the public mind. But then as the four years went by, made themselves look bad and worse. So, then the Lyon Government became a victim of this policy so that at the end they were running deficits of a couple of hundred million dollars and people were becoming alarmed and that led to their defeat. It was a factor in making them look —(Interjection)— a self-inflicted wound, the worst kind. I want to thank the Minister for his useful suggestion; the bearded Minister in front of me.

Mr. Speaker, the result is that now we still have this phony system of accounting. I simply say to the First Minister and the Minister of Finance and the government front bench, it's time we dispensed with this foolish system and went back to a sensible system of providing capital and current expenditures.

Mr. Speaker, I think they're probably about 50-50. If the deficit is going to be around \$500 million, if that's what's going to happen, it's probably half on current and half on capital. I think that people should not be hung up and psyched out by that particular type of accounting.

The other thing, Mr. Speaker, is I think we have to direct all our energies and all our resources at economic stimulation. We have to combat unemployment. That is a serious problem of our time. We have to have a dynamic program of housing and public works and incentives to small business; that's where the emphasis must lie. Mr. Speaker, to do that we have to trim some expenditures. I think that the Ministers are now going through that exercise, but I think that they're going to have to do a very tough job; tougher than they've done to date. I think we're going to have to hold the line on salaries and wages and we can't be awarding 9 and 10 and 12 and 13 and 14 percent wage increases.

Mr. Speaker, I listened to an announcement today that came about a strike that was just avoided somewhere in Canada and the amounts of the settlement were, I think, staggering and that's at this particular point in time when there's a high amount of unemployment; when there's a great deal of importation of foreign goods made in Korea and made in Hong Kong and made in Taiwan. Go downtown and look at where the goods are made. Look at the snowsuits for children and things like that. I find it shocking. It's almost impossible to find a tag on goods where it says Made in Canada. It's almost a rare delight. At the same time the wages are going up, and at the same time unemployment is increasing, and at the same time imports are coming in and more workers are laid off, and on and on goes the circle and the cycle.

Well, you're right, I agree with the economist from Morris, that it is largely the fault of President Reagan and he got his message didn't he, a month ago. He got the first message. He's going to get a bigger message in two years and there will be a Democrat sitting in the White House.

Mr. Speaker, the final point I make here to the government is that I think it's going to be necessary to

raise some taxes. I think if we are going to run the deficits; to pay for the programs; to stimulate the economy, we have to raise certain taxes. I can tell you that I am not one who is afraid of raising taxes. I can tell you that I don't like it, but I am not afraid to do it. I think that the government will have to and the Minister of Finance will have to consider the sales tax again. I think that this is one tax that was passed over, but I think if it's necessary to keep things in line, if it's necessary to stimulate the economy, it may be necessary to raise the sales tax.

Mr. Speaker, my position on that has changed over the past 16 years. When I came into this House with my colleague from Concordia, we opposed the sales tax. We said it was a terrible tax. We said that it was unfair to the lower income people. Mr. Speaker, I have changed my position over a period of time because I realize that —(Interjection)— Well, my colleague is right that there was some rebates introduced. There were some more exemptions introduced; that made it fair.

One of the points is, that of all the taxes available, in addition to good old liquor and cigarettes and cigar and liquor tax and so on, one of the best taxes available is the sales tax. The problem with income tax which, in principle, appears to be the best tax in which all of us instinctively and intuitively support, the problem there is that people don't pay it. The problem is that the people in the higher income brackets have the lawyers and the accountants and the tax shelters and the schemes and the devices to avoid paying those taxes. So it looks great on paper, but in the last analysis, they're not paying that 40, 50, 60 percent. They're paying zero to 10 percent.

People like President Reagan, that great free capitalist enterpriser, a couple of years on an income of \$1 million paid zero, because he knew how to get around paying taxes.

Mr. Speaker, I'd now like to turn to the Conservative Party and to the speech of the Leader of the Opposition. I listened carefully to his speech and I tried to take notes and the two notes I got were: No. 1, eliminate the payroll tax, and that he read from our election pamphlets. That's it! But he didcome up with a terrific new phrase about wind and rabbit tracks. That was, in essence, his contribution to the debate. We actually have a stronger phrase in Winnipeg, but he uses a rural, more folksy one of wind and rabbit tracks. Mr. Speaker, of course that is the impact of his speech, gone with the wind and not a trace; not even a rabbit track

Mr. Speaker, I also acquired, like most of us, this new pamphlet that the Tories are sending out. You didn't see this? My colleague, the Minister of Agriculture didn't benefit from this pamphlet? No, I think this was a mass mailing in Winnipeg. This one came from the MLA for St. Norbert and a gentleman if there ever was one. On the inside it has the highlights. Since our election November 17 - they paint a very bleak picture - they talk about unemployment and bankruptcies being up and the deficit being up and so on; then they talk about all those mega projects. Remember the mega projects? Yes, the mega wind and mega rabbit tracks projects.

Mr. Speaker. I don't believe this figure which says that these projects would have created 10,000 and

12,000 jobs; 10,000 to 12,000 jobs; wind and rabbit tracks. Mr. Speaker, all this spinoff about the smelter and the potash and the Power Grid and the Limestone and so on and so on. I mean, that was a promise wasn't it. It was something that was held out to the public, but they didn't buy it. The public did not believe that the Tories would deliver on that particular promise and that was a question of credibility and that, of course, was the decisive factor in the ultimate defeat of the government.

Mr. Speaker, we have watched in the first week-anda-half of this Session the performance of the members opposite and, Mr. Speaker, I usually go to the races about once a year. I'm not an expert at the track but I have decided to offer to the Legislature my estimate, in terms of the Tory leadership, and how these candidates are doing —(Interjection)— well, some of my colleagues have been waiting for this.

Mr. Speaker, I'm only going to give the starting odds because we're going to have to wait as the race develops. We saw the horses as they were brought out and as they were galloped around the track and I want to give the odds before the race begins. Now that is the hard part and if anybody is interested in placing a little wager they can speak to me later. Now I'll have to revise these odds depending on the performance, and I am an objective observer, and I know that my view will be respected on both sides of the Chamber and, Mr. Speaker, I want to —(Interjection)— well, it's cooler up here, it's calmer up here. You don't get acid indigestion.

Mr. Speaker, these are my graded selections. This is a one-mile race and the purse is the Progressive Conservative leadership and it's open to 35- to 55-year-olds. Now I may have to extend that age limit because a couple of the horses are getting up near the 56-year mark, but long in the tooth and the mane.

My first prediction is for the Member for Fort Garry. He's the favourite, can lead all the way, that's the short line on him. And here's his record - three-to-two odds. Now, not everybody will agree with me but I'm just telling you that I'm making book here, not you. — (Interjection) — They're looking at him as he runs up the track. There's only one thing worse than wind and rabbit tracks and that's wind and horse hooves.

Mr. Speaker, on the Member for Fort Garry, he has gone the distance in Ottawa and Winnipeg; he has a good image and turn of phrase, or at least he used to; strongest of the urban field but he dislikes a muddy rural track; that is his problem. He has speed and rail and he is, I think, a three-to-two favourite in this race. Now he tried, Mr. Speaker, the other day making a Lyonesque speech and I think that was a mistake; it is not becoming to him. If he's going to try that tough guy stuff that his Leader usually presents, I think he's going to hurt himself. I think he should be very careful about imitating his Leader. I say the same to the young, impressionable MLA for Pembina and also the younger and more impressionable MLA for Morris. He has to be careful, he has to chose his idols carefully and model himself carefully.

Mr. Speaker, the next best bet in the race is the Member for Turtle Mountain. His line is that he will force the issue; he'll force this race. Two-to-one. He's the favourite of the rural caucus; a fast starter as Minister of Finance and House Leader; tall, dark and

serious. Now every one of these outstanding candidates has a weakness and here is his: with a sense of humour, he could take it all. He's got to get some of that Dave Blake stuff worked into his speeches. He's got to keep in touch with the Member for Minnedosa, get some of those one-liners and work them into his speeches and get that alligator story. That's one that I was told and I've been using it ever since, that's sure-fire winner. If you can tell that in this House, I guarantee you'll be Leader of the Opposition. So he's a two-to-one favourite and I think that he has to be rated very highly. That's his starting position.

Mr. Speaker, the next —(Interjection)— no, I don't see the Member for Emerson on this list - he's in the stable, he's back in the stable. He's still cleaning up the mess from '77, pulling his stone boat up and down outside the stables.

Mr. Speaker, the next favourite - I'm not so sure of this any more. When I put this list together I don't know whether I'm going to stick with this one, but the next one was the MP for Provencher, Jake Epp. Mr. Speaker, the short line on him is he can't be ignored.

Now we had somebody named Jack Murta 10 years ago; he was going to be the new Ed Schreyer but Jack did not cut it; finally he struck out. But Jake Epp, I think, is somebody that is a possibility and the odds on him, five-to-one — (Interjection) — that's right. His line is that he runs well at longer distances and he's trained for a federal portfolio but could contest the provincial purse. Soft-stepper. but he has a flaw - lacks urban appeal; that is the fatal flaw in him. But watch out for this one, so if anybody's interested in him, he's five-to-one.

Now back to this House, Mr. Speaker, the Member for Tuxedo - remember the Member for Tuxedo? must be considered. Mr. Speaker, while these odds were made before his speech, remember, I made these up at the beginning of the Session prior to any performances in the House, ten-to-one - that's not bad. He's the Member for Tuxedo. -(Interjection)-Well, I'm reconsidering now. He's good over short distances and he's raced through council and Cabinet. Mr. Speaker, he has one serious handicap - he started out representing River Heights and now he's representing Tuxedo. Now if he wants to be leader he's going to have to come and fight in the tougher territory; he's going to have to take on the NDP where there's an NDP seat. He can't hide in Tuxedo among those \$350,000 homes and then say that he's going to represent the people — (Interjection) — living in a log cabin? Inside that log cabin there are five bathrooms, 20 bedrooms and a five-car garage. Appearances are deceptive. -(Interjection) - That's right he should come back to the north end. Now, he's a north end boy like I am, like the Minister of Urban Affairs -(Interjection)- you're a north end boy, another north end boy. Look, there are a lot of north end boys here but if he wants to be —(Interjection)— no, the north end is in Winnipeg, that's the far north. Mr. Speaker, if the Member for Tuxedo wants —(Interjection) — my good friend the Member for Lakeside is a north end boy; he's from that tough part of the north end - Austin Street, Alexander Avenue. Well, we never fooled around with those guys, I'll tell you. I hung around Mountain and MacGregor. Mr. Speaker, the Member for Tuxedo, ten-to-one, but if he tries that Lyon imitation that he tried the other day he's going to be twenty-to-one.

Mr. Speaker, there are some old pros in this race and they're hard to rate. The next one is the Member for Lakeside, he's in this race, Mr. Speaker, If he can get across to people, if he can clean up his act, Mr. Speaker, if he can only do that and remind people that he's an urban boy as well as a country boy, then he has a good chance because everyone thinks of him as a farmer, an elegant farmer, a dilettante sitting in his white suit or coveralls in his combine with its air conditioning, its hi-fi and its TV set and its push-button panel, driving around, protected from the weather, that's it. He's got to have a tough guy image -(Interjection)— with difficulty, Mr. Speaker, he is the person who just missed in his last outing so we have to start him at thirty-to-one. Well, my colleagues think that's too high —(Interjection)— little low, bring it down? Well, I'm starting him at thirty-to-one, but I'm willing to revise the odds. I think this side of the House has a higher opinion of the Member for Lakeside. I'm not counting him out, Mr. Speaker. He almost won against Sid Spivak and he's what's known as a reliable old war horse. He can always be counted on for a fiery speech, or a good chuckle; in a tough spot, however, and therefore I have to start him at thirty-to-one.

Now he's starting neck and neck with another Tory front bencher - this will bring tears to your eyes when I mention his name; he's not here right now - the Member for Arthur - thirty-to-one. But he would have to improve, I mean, he would have to —(Interjection) — I can see that this side of the House rates him as forty-to-one but I'm giving my odds, which are fifty-to-one. He talks a good race; this is his strength. A favourite of some rural bettors but he was almost auctioned off during the Alcan stakes when it was learned that he owned land near the track. That is going to be one of his problems. So there's little hope here and I have to rate him, Mr. Speaker, at thirty-to-one.

Then I have my last, the long shot, you have to give this guy a hand because he's coming up from the rearthe Member for Pembina, a hundred-to-one. A fearless heckler, Mr. Speaker. No man in his right mind would heckle Sid Green, but he did; nobody would dare stick their head in the lion's mouth, but he did. He's the only guy I know on that side who would ever take on Sid Green and, of course, a few times came close to paying for it. His problem is that he is a young and impressionable MLA who looked to his Leader for inspiration and used his Leader as a model and felt that by imitating his Leader he could advance his position and his own career. There's where he's going to have to change, Mr. Speaker, he's going to have to find a new model, somebody on this side. So I simply say to him that his problem to date is that he has only won races at country fairs. He's only won those country races and those are easy, those are cinches, just a few people running around the track, a bunch of Tories applauding. He's not ready for the big one yet but I say that starting out in that position he can only improve so we may have to revise him; he can only go up.

Mr. Speaker, there are other people in the race. The Member for Morris, is definitely in this race but he is so far out of contention, compared to these other fine candidates that I can't give you a line of odds on him.

Maybe next time. What does he have going for him? His looks. He looks like Premier Devine and he may be able to parlay —(Interjection)— if looks could kill, no that's not what I meant - his appearance right into the Premier's Chair. Now we don't know. —(Interjection)— The Member for Morris —(Interjection)— no, no, no I understand. I'm talking about 10 - 15 years down the line.

Mr. Speaker, another person that we have to consider is the Member for St. Norbert. Don't rule him out. He's got his face plastered all over his riding at the front of this particular pamphlet that — (Interjection)—yes, he's plastered — (Interjection)— and he's giving us . . . it's not a message of gloom. If you read this pamphlet, it's very deceiving because it seems to be a message of gloom but he points out it's not a message of gloom but he says it's not a reassuring picture and that he wants to provide a message of confidence. I think that he's not out of it yet, right? I can't give odds on him though, he's higher than a hundred-to-one.

Mr. Speaker, he has to be considered, as well as that perennial candidate in RiverEastConstituency, Harold Piercy. Remember Harold, the Provincial President of the Conservative Party. You may not remember him, Mr. Speaker, but he comes from your neck of the woods.

Mr. Speaker then there are others. There's people that some of us have almost forgotten. I think Keith Cosens would have been a candidate, I think Keith would have been a strong candidate but he was defeated. Don Craik is still a force, still in the party, still has the ear of the leader and still could be a candidate. So. Mr. Speaker. I think I'll simply — (Interjection)—Walter? Walter's in the gallery. I don't think I could put an odd on him, Mr. Speaker. So that's the leadership race as I see it.

I want to warn the candidates up there —(Interjection)— no, not Peter Warren - Mr. Speaker, I want to warn the candidates, particularly the young candidates, not to imitate their Leader. That is not the road to victory. They will have to develop a new image. They will have to pick somebody on this side as their model or somebody on the federal scene as their model

So. Mr. Speaker, that's where I conclude and that is the starting line-up. We're going to see how everybody does in the next few months and we're going to give the final odds because when we come back next November there's going to be a new Leader of the Opposition, so here they are again. The Member for Fort Garry - are you taking this down - 3 to 2: the Member for Turtle Mountain, 2 to 1; the Member for Provencher, Federal, 5 to 1; the Member for Tuxedo. he's a little farther back, he's got a shot at it, 10 to 1 Any takers? He may have to grow a mustache, may have to come back to the north end and fight the NDP on its home turf instead of that easy stuff, those easy pickins down there in Tuxedo. Mr. Speaker. the Member for Lakeside, 30 to 1. but looking better, coming on; the Member for Arthur, 30 to 1, but fading already; and finally, the Member for Pembina. 100 to 1 long shot.

Thank you, Mr. Speaker.

MR. SPEÄKER, J. Walding: The Honourable Member for Turtle Mountain

MR. A. RANSOM: Thank you, Mr. Speaker. I'd like to begin my comments with the traditional congratulations to the new Deputy Speaker and Chairman of Committees upon their appointments and trust that they will carry them out in a fashion that will bring credit to them and to the House, and to the new Ministers who have been appointed since the House last met. I congratulate them on their appointments. I realize that they have very difficult tasks to perform serving in this government but I am confident that they will carry out those duties to the best of their ability.

Mr. Speaker. I want to address, principally, the financial management of this government and the government's handling of financial information. I specifically want to deal with four areas.

First of all, their presentation of information, which has been mentioned in this House repeatedly, that this government has a credibility problem. I believe that some of that problem comes, Mr. Speaker, from their handling of financial information at the public level. I'm not speaking about the official accounts of government or that sort of thing, but the public presentation of the situation that prevails.

Secondly, I want to talk about the deficit, some of the reasons for the deficit. I want to talk about spending controls, and I want to talk about the government's borrowing record.

Mr. Speaker, a year ago when the Minister of Finance assumed his responsibility he said at the time that he, "found the projected 1981-82 deficit frightening." That's the quotation from the Minister of Finance in the Free Press of December 3rd. 1981. "a frightening deficit." Today. Sir. we find that the Minister of Finance describes a \$498 million projected deficit as appropriate. That applies a double standard, Sir. that I don't think is in the best interests of the province, the best interests of the government for that matter. The deficit and the reasons for it deserve careful scrutiny and debate and I regret that to this point I have not heard serious debate from the members opposite on this issue

Let's move to the question then on the presentation of the information and on the credibility question, and I don't need to do any more in this regard. Mr. Speaker, than refer to the editorial which appeared in the Winnipeg Sun on Thursday, yesterday, which simply said. "Spare us the games and rhetoric." It ended up, and I'll just read the last paragraph into the record, Mr. Speaker. The last paragraph says. "What is alarming is the way in which the Pawley Government has played deficit peek-a-boo with the populous. Spare us the games and the rhethoric, the little white lies and the evasions. We all realize the economy is in trouble. If you are prepared to level with us throughout the troubled debates there would be less temptation to fudge and obfuscate until it gets so bad nothing will save us and we'll wind up with the kind of mess Ren Levesque is faced with in Quebec "Sir. I subscribe to that position put forward by the Winnipeg Sun. Let me just give a few examples of how this has been done over the past year: of the talk there was when this government came to power a year ago, that when they got a look at the books how terrible things were. Actually the truth of the matter, Sir. was that I believe there was a \$253 million deficit being projected at the end of the second quarter last year and it turned out that there was a \$251 million deficit.

There was nothing misleading in the information despite the quotation, despite the statement by the First Minister that the public had been misled. Sir, that simply was not true: it was not true. Mr. Speaker, as an example, and I quote from the Report on Business on January 25th, 1982, this is where the Minister of Finance was being quoted as saying that the deficit may reach 300 million when the current fiscal year ends, "The increase likely will occur because the Conservatives juggled figures when they announced the \$253 million projection just before their departure, Mr Schroeder said."

Now, Mr. Speaker, that was only the beginning of a long series of disturbing distortions of the facts. I refer you back once again to the public statement with respect to the Estimates that were tabled in this House last February when the Minister of Finance announced proudly that there would be a 14.4 percent increase in spending and that headline appeared across the front of the Winnipeg Free Press, therefore, the government's objective was achieved. The impression was left.

But how that had been done, Mr. Speaker, was that they had changed the system of presentation, that rather than doing it in a manner that had been done for years in what is referred to as 'print over print,' this government changed it to compare their initial projection to the final projection for the previous fiscal year to get that projection of 14.4 percent. We warned them at the time, Sir, that would come back to haunt them; that indeed the deficit, that the spending levels of the government, would be much higher than that before the year was over; and indeed that has turned out to be the case, Sir.

At present, using their method of the presentation, it now shows that spending is up 18.9 percent over what it was a year ago. Why should this type of information be withheld from the public? Why can't the government be honest in facing it? We have a very serious financial situation in this province, and it is not going to be helped by the government attempting to make the situation appear to be something other than it is. Again, the editorial says. "Spare us the games and the rhetoric."

I even used part of my grievance last year in April, Mr. Speaker, to bring this to the attention of the government at the time and they have persisted in it. Sir, ever since. The most recent example of it was the statement that the Minister of Finance made in this House when he tabled the Quarterly Report and it's also contained in the press release which he made at the time. Let me give you a few examples

The statement which the Minister of Finance made and the statement as repeated in the press release says, "Our revised estimates of total expenditure for 1982-83 fiscal year are within 1.8 percent of the initial Estimates." Now what do the initial Estimates mean, Sir, if they aren't the Estimates that the government tabled in February when the House opened? Those are the initial Estimates. In fact, when one looks at the projection of spending for this year and compares it to that, the figure is 3.8 percent, not 1.8 percent. Look up the figures and calculate it. What purpose is served to the people of this province by presenting that kind of misleading information and persisting in trying to

leave the impression that indeed they're able to accomplish something which they clearly are not doing and that even a superficial analysis of the information will show that it is not the case.

The press release, Mr. Speaker, the deficit had been forecast at \$343.5 million in the Budget. That's incorrect, Sir. The deficit had been forecast at \$334 million. Sure, maybe it's only \$10 million; that's perhaps not much in the perspective of a \$500 million deficit. But why can't the government simply present its information in a factual manner so that we know and the people know what has been happening in the province? I implore the Minister of Finance to adopt a more straightforward fashion of presenting information and justifying his actions.

There's one further example in this area, Sir. We have had numerous occasions in the House where the Minister of Finance and others have defended their payroll tax by saying that the Chambers of Commerce imposed a sales tax increase, and then go on by implication to say they, therefore favoured a payroll tax. What the Chambers of Commerce were saying is, we don't want any tax increase. Sir, that kind of — (Interjection)—I agree, I agree. Who wants it? Nobody wants it. but don't try and misrepresent somebody's situation to appear to be something which it is not.

Sir, I would like to move on to deal with the deficit. The Minister of Finance has made much of the decrease in revenues and he has been able, once again, to leave the impression on the public that the increase in the deficit is due to a decrease in revenues. Let me give the House a couple of facts, Mr. Speaker.

One is, that since the initial Estimates of government were tabled in this House last February, the government has since added \$106 million in spending. Since that time, projected revenues have declined by \$103 million. Sir, the increase in spending since the Minister brought in his Estimates and proudly announced that he only had a 14.4 percent increase, the government has added \$106 million. The projected revenue on the other hand, is only down \$103 million.

Sir, let me also speak about the fact that the revenues are down and I want this to be fully understood by the members opposite. If they refer to Hansard on 28 June, 1982, they will find that in a discussion of the Estimates of the Minister of Finance, we raised the question with the Minister as to his estimate on corporate income tax, and you will all be aware that is the area which the government has now announced they are going to suffer an \$80 million decline in revenue.

I asked the Minister of Finance on that day. Sir, I said, "Mr. Chairman, on the matter of corporation income tax, there's an estimate this year of \$145,273,000.00. The actual revenue for 1981-82 was only \$114 million, which was \$17 million below the estimate for '81-82." How accurate does the Minister think that projection will be under today's circumstances? The Minister came back and indicated, "Well, the estimate was based on the Federal Government estimate."

I persisted in asking him again. Mr. Speaker. We're on Page 3636. I said, "Does the Minister believe that in view of the financial circumstances in the province, in the country today, that he actually will receive more money in '82-83 than was received in '81-82?" He said.

"Well, if there's a change we'll know so by the end of the summer." I came back again, Mr. Speaker, and said, "I would have to think, Mr. Chairman, that on the basis of the past record that we might well be lucky to receive even as much in '82-83 as we received in '81-82, rather than being able to look forward to receiving \$145 million."

Sir, we also questioned the Minister of Finance on other areas. Let metell you that we warned the Minister of Finance that he would not get this level of revenues. We warned him; it's on the record, but the government had estimated an increase of 14.4 percent in their revenue for 1982-83. Now, what reason would the government have had to believe that they would be able to have an increase of 14.4 percent in their revenues, even recognizing the fact that they had introduced the payroll tax which was supposed to bring in some \$70 million. They still were estimating revenues that would have been higher than the average of the previous four years.

So, Sir, the government cannot truthfully say that the deficit which they are facing today is a consequence of reduced revenues, because those revenues were overestimated to begin with, and the expenditures which the government has brought in since the initial Estimates are much higher than the decrease in revenues. I would also point out, and we've said on many occasions that the government should have controlled its spending, the government continually says where, which of course is the natural response. I simply point out to them that since the Estimates were tabled they've brought in another \$106 million worth of spending. That exceeds the payroll tax by \$36 million. If you had stuck with the Estimates that the Minister of Finance brought into this House in February there would have been no need for the payroll tax, but those expenditure Estimates have gone up by \$106 million.

The Minister of Natural Resources last year said that there was a great deal of fat in the Estimates that were presented to them by the previous government. Where is the fat? Has it been cut? Have the members been able to cut that fat because it's necessary? This province is facing an alarming financial situation, Mr. Speaker. It is an alarming situation.

Let me give a few more facts, Mr. Speaker, that over the four years of our administration, revenues rose an average of 10.8 percent a year on a reduced tax base, 10.8 percent a year. Even today, on the basis of the governments own projections, revenues are still projected to rise a 9.7 percent which is not that far below an average of 10.8. In two of the years of our government, our revenue increases were 7.3 percent and 9 percent and we did not face the kind of deficit which this government faces today. Now, what that means is that this government is going to have to take some very serious action. They're going to have to face up to what is happening in this province, and spare us the rhetoric and the little white lies as the editorial in the Winnipeg Sun states.

One other fact that should be of interest to the members opposite in examining their financial situation is this: that the inflation rate in the four years of our government was 9.7 percent. Our revenues only rose on the average by slightly more than 1 percent higher than the rate of inflation. Now, that's not much

of an edge to make the kinds of expansions in services that we were able to bring about; but in 1982 according to information provided by the Minister of Finance a few weeks ago. inflation this year is expected to be 8 percent, which means that the government's revenues are still projected to rise 1.7 percentage points higher than the rate of inflation of this province. That should indicate to the members opposite that they've got a serious problem with this deficit the size that it is. I am sure I don't need to point out to them that the projected deficit for this year is going to be larger in one year than the four years of accumulated deficits of our government.

Unfortunately, the Minister for Government Services says it's a sign of the times. Mr. Speaker, I plead with the members opposite to examine carefully the financial situation that they're in. The First Minister this morning, I gather on a radio program, said a year ago that no one could have foreseen the economic circumstances that we find ourselves in. I want to go on record right now, Mr. Speaker, as telling the First Minister and his colleagues that this province is in an alarming financial situation, and that situation could deteriorate over the next two or three years to the point where this government will not be able to pay its bills.

The Attorney-General says, it's nonsense. Mr. Speaker, the problem is that there is a huge borrowing requirement that this government is going to have to make. The Minister of Finance didn't have at his fingertips this morning the refinancing alone, which the government is going to have to undertake next year but, if my recollection is correct, it's in the range of a billion dollars for next year.

The deficit, on the basis of information which is now available, the deficit next year is going to go to between \$800 million and a billion dollars, because what is going to happen is that if this government's expenditures increase by 20 percent over what their present projections are - and I rather believe those projections may well turn out to be low - if it increases by 20 percent, they will add another \$340 million to the \$500-million deficit which is already projected, because revenues, if we assume that they rise at 10 percent which, under today's circumstances, I would say is highly unlikely, I think that's a high estimate. I will tell you why - because this year the government has experienced decreases in corporate income tax even if there is a turnaround in the economy and corporations begin once again to make money there will be a lag before they begin to pay taxes at the rate that they were previously. I warned the Minister of Finance of that in June and he didn't take my warning. I now warn the First Minister and the Minister of Finance and their colleagues that they're going to face a \$800 million to \$1 billion deficit next year and however the government presents it, Sir, is not going to change the fact. I implore them once again, don't start to change the presentation of it now because it isn't going to fool the bond rating agencies, it isn't going to fool the lenders, so present it in the way that it is now being presented; and let me tell you why.

The members opposite don't seem to understand why there should be combined accounting of current and capital. The reason is very simple, Sir. A province cannot put its assets forward in the way that a corpo-

ration can use its assets to back its loans. The foreign lenders —(Interjection) — Can you tell the Minister of Agriculture? The foreign lenders cannot come in and take away a hydro dam that the province has. They cannot come in —(Interjection)—

MR. SPEAKER: Order please.

MR. A. RANSOM: Mr. Speaker, this is a crucial point for the government to understand and I would hope that the Minister of Agriculture would at least hear me out - he doesn't have to agree with me - but I'm telling him the reason is that the assets which the Provincial Government has are not the sort of assets that a lender is going to seize when the government can no longer pay its bills. This is not like Chrysler or Ford or someone where it's possible that if they go into bankruptcy that someone at least has some assets that they can takeover. What is important to the government is how great is their cash flow? Their cash flow goes toward paying this deficit whether it's for operating or whether it's for capital, there is no difference.

The problem that the members are going to face, within the next year or two, is that next year when that deficit goes to between \$800 million and \$1 billion and it will unless the government takes serious action either to control its spending or to increase its revenues - it will go to that level. You will then have perhaps \$600 million to \$700 million against operating. If you want to separate them out and call it operating, fine, do so. Call it operating, but the deficit is going to be \$600 million to \$700 million and when the economists like Dr. Mason from the university say that deficits don't matter - or we shouldn't be too concerned about them is perhaps a more accurate description - let me give you some examples of the size of the increase in revenue which the government will have to have to offset that deficit, to get it back down under control.

I point out, Sir, that in 1983 the entire projected revenues, and these were pointed out - they were high at the time and it's since been proven to be correct - but the entire revenue for corporation income tax and individual income tax was \$727 million. That means that to match that \$600 million to \$700 million on operating that you are going to have next year, you will have to have revenues equal to the entire revenue that the government now receives from corporate income tax and from personal income tax.

Another example would be the amount of money that the government gets through equalization. This year it's estimated to be \$431 million. The entire amount of money that the government gets from equalization is not going to even equal half of the deficit that this government is going to face next year if something drastic is not done, either by way of expenditure controls or increasing revenues.

The Minister of Finance seems belatedly to have recognized that there is a necessity for controlling expenditures. Again, I comeback to the shading of the facts or the refusing to recognize reality by the Minister of Finance. I have heard him say that, while expenditure controls may now be necessary, they were not necessary over the past four years. Well, they were necessary and I'd like to refer back to the Budget which I presented in this House in 1981.

I made a projection in that Budget which literally brought every member on this side of the House at that time to their feet, they were so outraged at the projection. They said at the time, "It's difficult to grasp the full significance of these figures without reference to the situation that could have occurred had our government not acted decisively to restore sound budgetary procedures. We have estimated by projecting the average rate of growth in provincial expenditures in the last four complete fiscal years under the previous government and using revenue estimates, adjusted by adding back the tax cuts we implemented since 1977, that by 1980-81 the Province of Manitoba would have faced accumulative deficit for the past three years of more than \$1.5 billion."

I pointout to the members that that level of expenditure was 20 percent and in the Quarterly Report tabled by the Minister this week, their level of expenditure this year is already up to 18.9 - the revenues are lower than they were in the Schreyer years - and this projection is going to be witnessed by this House and by this province within the next couple of years if something very significant doesn't happen on the part of the government.

The Minister of Finance should have recognized when he took over that it was necessary to implement spending controls. He belatedly acknowledges that now, that he's going to begin to control expenditures. But unfortunately we are left with a very definite impression that these expenditure controls are not real expenditure controls, these are tokenism. The Minister put out a press release saying, "Schroeder adds further expenditure controls."

He was successful, Mr. Speaker, because the next day the CBC on their radio news, their lead-in item was, "Government implements expenditure controls." Not that there was a \$498 million deficit, but that the government was implementing expenditure controls. But let us look briefly at what those expenditure controls are. There are things like "out-of-province travel will be limited." Out-of-province travel - I wonder if that includes Mr. Cherniack, the Chairman of Manitoba Hydro, who has been traveling around the world at the expense of the taxpayers of Manitoba while they borrow money. Sure they should have implemented expenditure controls and sure they should have had it on travel but it should have happened and it should have been continued from the day that they took over government.

"No further addition to the government's vehicle fleet." That's not going to do much to \$498 million, Mr. Speaker, and it's only going to postpone the day when they have to face it.

"Treasury Board must approve any new road construction projects, land acquisition and drainage projects." That's always the way Treasury Board operates. If their Treasury Board had been operating in a way where new road construction projects, land acquisition and drainage could have gone ahead without Treasury Board control then, Sir, their spending was out of control within months of them having taken over, because that is standard practice in Treasury Board and why put this forward? Spare us the games and rhetoric; tell us what's going on.

Finally, and perhaps this is —(Interjection)— how much time do I have, Mr. Speaker? Mr. Speaker, this

may have been a Freudian slip. He said finally, finally -(Interjection)—

MR. SPEAKER: Order please.

MR. A. RANSOM: The final point, Mr. Speaker, in their expenditures listed under 'Expenditure Controls' is: "We intend to limit new hiring to all but the most essential positions." To all but the most essential, this really lays it on the line as to how they're going to control expenditures; they're going to fill all the non-essential ones and leave the essential unfilled. Unfortunately, that tends to reflect the record of the government.

Mr. Speaker, I want to make one brief reference, I don't have time to go into it in detail, I will on some other occasion do so. I asked the Minister of Finance last March why he was borrowing so much money. I said, "Are you borrowing money now because you know you're going to need it later?" Because we had been following a strategy of short-term borrowing, waiting for the long-term market to become more favourable. The Minister of Finance denied that. Now, we have in a publication by McLeod, Young, Weir, the same publication, Mr. Speaker, from which the Minister of Finance quoted last night. McLeod, Young, Weir say, "Table 3 indicates the province borrowed in excess of its public market requirement in fiscal 1982, adding about \$193 million to reserves."

Now, Mr. Speaker, what has happened since then? That government went to the American market, borrowed approximately \$200 million U.S. at 14.75 percent when they didn't need to go to the market, and it was contrary to the plans which the government had had to be short-term until it turned around. Mr. Speaker, I've got a sheaf of information from financial institutions herefrom March and February and January that said interest rates were going to go down. They borrowed at 14.75 percent, today it would be perhaps 3 percent below that. That means on that size of a loan, Mr. Speaker, there is an annual excess cost to this province of over \$7 million. Over the 15 years of that agreement, if that level of interest persists on the short-term borrowing, that's going to cost about \$250 million.

Mr. Speaker, in concluding my remarks I want to warn the members opposite, so that the First Minister cannot say he has not been warned, that the problem they face if they don't get things under control is that within the foreseeable future they may well encounter a situation where they will not be able to borrow money to pay their bills. The services which this province has built up over the decades will not be able to be maintained. That is now a possibility, I'm not saying it's a probability, it is a very real possibility. What this government should do, Mr. Speaker, is they should be absolutely forthright in their presentation of information; they should prepare long-term projections on what different interest rates, different values of the Canadian dollar and different growth rates in the economy will mean to the fiscal position of this government

What's more important is they should prepare spending strategies to match, because what'll happen. I wish the honourable members opposite would listen because I want them to fully understand that

what can happen is that there will not be a significant amount of warning to the government. They will one day go to the well and the well will be dry; that is what can happen. I'm told that if you go to Cleveland today, which has been described as looking like Munich in 1942, you can find out what happens when a government can't borrow anymore. If this happens to any government they will have to have their spending plans in place; they will have to know what to implement just the way you have to know what to implement if there's a serious flood in this province - do it.

The other thing that the government should do - and they can do it this year - is bring in their Estimates and their Budget at the same time. Tell us what your spending plans are and tell us how you plan to raise the money because with a lag. Mr. Speaker, there is too much opportunity for misunderstanding what's happening.

Sir, I appreciate the opportunity to address what is an extremely important subject to Manitoba and I trust that the members opposite will pay attention to the very serious situation which faces the province.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Thank you, Mr. Speaker, I want to say it's certainly a pleasure to take part in the Throne Speech Debate and to see you in the Chair. I hope that the kind of turmoil we have put you through in the last while will not continue through the course of this Session and I wish you all the very best, as well as to my colleague who has taken on the role of Deputy Speaker and to the Mover and the Seconder, my congratulations for a very fine speech in this Legislature, on the Throne Speech Debate - I know I've wished them that before - but the colleagues who have been appointed to the Executive Council, they have certainly added and will continue to add their expertise and their experience in the affairs of our fine province.

Mr. Speaker, we just heard the former Minister of Finance, the present Member for Turtle Mountain, giving the members on this side his assessment of what should be done with respect to the financial affairs of the Province of Manitoba.

Mr. Speaker, one idea I should point out at the outset that he has raised, and I find some merit to that, that we should consider in terms of tabling the spending Estimates of our government and the Budget at the same time. I would hope that my colleague, the Minister of Finance, will take that to heart. But it will be an interesting exercise, Mr. Speaker, as I stand here because I see the Leader of the Opposition, the Member for Souris-Killarney saying the Budget has to be tightened, it has to be squeezed.

Indeed, Mr. Speaker, my colleague, the Minister of Energy, when he quoted from the survey of who the Conservative person who will be coming to the Convention in Manitoba, who does he represent and what do they represent. Truly, truly the Member for Turtle Mountain and the Leader of the Opposition represent those kind of people. Tory incarnate, according to the survey, wants Ottawa to cut spending on day care, unemployment insurance, family allowances and job creation programs. He wants the government, naturally, to reduce taxes on companies. There is no great

surprise. I quote again from that article, Mr. Speaker, they are, by their own words in this survey, "against increased spending on hospital care, Medicare, post-secondary education and the poor."

Mr. Speaker, it will be a very interesting exercise dealing with our Estimates this coming year. I want to tell you that because, Mr. Speaker, while these two gentlemen stand up and maybe one or two others say you have to reduce, you have to control spending, every one of the other colleagues, some of them who are here, some of them aren't: we want more spending. We want more roads; we want more drainages; we want more help, Mr. Speaker, and in that process they can't have it both ways, Mr. Speaker.

At least their Deputy Leader knows that; at least the Honourable Member for Fort Garry realizes that. He is the only one that at least can get up and say, look, I'm really not with these guys. I believe that we should have some Progressive legislation. We have to do some progressive things, but I really am not with these guys, because they really don't represent what true Progressives are. I know they represent the Conservative elements, Mr. Speaker, but they certainly don't represent the Progressives in our party.

Mr. Speaker, the Member for Turtle Mountain talked about lack of credibility in the public presentation of the financial accounts of this province. He at least made it clear, not in the presentation of the figures, but in the way that we have presented them, Mr. Speaker. I believe that if ever there was a realistic approach and an understanding of the situation that we face in this country, it is by people here. We would not have tinkered, and we told the former Minister of Finance not to tinker, with the accounts of the Province of Manitoba; not to try and make political points in changing the accounting system to suit their own benefit; that he would get caught. Mr. Speaker. And he did get caught, and in fact, in his speech today, he went on so far as to admit that what he did - he didn't want to admit it - he said. no we have our reasons and these are our reasons why we put capital and current spending together That notwithstanding, we are spending for the future. We want to account for all those funds today. Mr. Speaker. He went so far as to admit in his speech that really what he did was really not accurate. Mr Speaker

Well, Mr. Speaker, maybe I didn't interpret the honourable member, according to the Honourable Member for Sturgeon Creek, that he didn't admit, but implicit in his comments that I got from —(Interjection)— well, that's what I was saying, Mr. Speaker, that was my interpretation of his speech. Ah, Mr. Speaker, now the honourable members say that my interpretation doesn't mean a heck of a lot. Well to them I —(Interjection)—

MR. SPEAKER: Order please.

HON. B. URUSKI: Mr. Speaker. we have in the Western World and in this country and in this Legislature, it seems there is not only a preoccupation. but there is a phobia building up. that unless governments, in fact, retrench - totally retrench - in terms of providing services to their citizens. we are on the verge of collapse. Mr. Speaker. We are on the verge of collapse and that there will be a calamity within a year or two and there

will be no more. The governments will collapse. Mr. Speaker

You know it seems that kind of mentality and I am not. I have to admit. not much of a historian having been quoted by the Leader of the Opposition as one of those that doesn't have a background. having the right background. Mr. Speaker, that what we are finding is that this kind of mentality is spreading across the country. But remember, Mr. Speaker, that in the '30s there was also that kind of mentality.

The only difference that one can relate to is that the rate of inflation was not quite as high in the late '20s and in the '30s as it is today, but the mentality was the same. How did we supposedly get out of that mess, Mr. Speaker? How did we get out of this mess? We went into a war, Mr. Speaker We bailed goods and services that we flew and we shot them out of the sky and then we put people to work building ammunitions, building war planes, building tanks, building guns, Mr. Speaker; that's what we did. We went and we borrowed and we spent millions and billions of dollars to put people back to work. Now we have the mentality, Mr. Speaker, that there is no war but we have to retrench, Mr. Speaker. Retrench where? Health care services, education, hospitals, roads? Is that what they're talking about, Mr. Speaker? Is that really what they're talking about? What are they talking about? It will be a very interesting exercise. Mr. Speaker, when the Estimates of the government are going to be tabled, when we resume the Session after this recess.

Mr. Speaker, if anyone, and the Member for Turtle Mountain said that the government is refusing to recognize the reality, or the Minister of Finance is refusing to recognize the reality of the financial situation, Mr. Speaker If there was any Minister or any member in this House was as serious in terms of the financial position of this province, I would say I would take my hat off to him. There is no one any more serious with respect to recognizing the situation as it exists not only in Manitoba, but across this country, in terms of the financial needs and the financial ability of this province and our country, Mr. Speaker, than the present Minister of Finance, and I take my hat off to him.

Mr. Speaker, I have to say I was indeed pleasantly surprised by the speech of my colleague, the Member for Elmwood, dealing with the potential candidates. I think he missed one or two, Mr. Speaker, in his analysis and I recognize that one in the midst, that really should be taken seriously, is our colleague, the Member for Morris, who I think I have to show some credibility and he has a lot of good sense in terms of making a potential. I would add one more to the list that he shouldn't be ruled out of the race that is coming for the Member for Morris - absolutely not.

Mr. Speaker, the Leader of the — (Interjection) — I'm afraid so. Mr. Speaker, I believe I'm being teased by the Member for Lakeside. I will not respond to the comment that he makes.

Mr. Speaker, the Leader of the Opposition. in his reply to the Speech from the Throne, I would say has really impressed us with his - and I would say his sterling performance in reply. He has really presented a performance, since he has expressed a concern about the level of debate in this House and last night was certainly no exception. I will try on this occasion to - I don't know if I can. I hope I won't - to match the

high standard that he has set for us.

However, it certainly will be difficult for myself to match the level of character assassination and mudslinging and worn-out cliches that have become the Leader of the Opposition's trademark, Mr. Speaker.

Again, I point out to what has happened in the last couple of days, his own speech and his own colleagues, but I certainly can take consolation that even most of his colleagues are not in the same class as their Leader, even though some of them want to try, especially someone like the Member for Pembina.

I want to say that the Deputy Leader actually, Mr. Speaker, I was surprised, in fact I was shocked, that he would try and emulate the low tactics of his leader. The other one that really also shocked me was the Member for Tuxedo, in terms of going, what I would say - I didn't expect that from him. He presents the image of being certainly a reasonable person and in all fights would hit above the belt, but this time I think he was down somewhere around the knees, Mr. Speaker, in the speeches that both of them made.

The Leader of the Opposition has expressed concern about the backgrounds of members on this side of the House, Mr. Speaker. He refers to us as "that breed, that odd collection of people." He says, "we really don't have the background to govern." Well, I have to congratulate the Leader of the Opposition. I would have to say that he chose his parents well. Unfortunately, he may be right. Not too many members on this side of the House were born with silver spoons in their mouths, Mr. Speaker, I would have to say that. That's a condition I would say we share with the vast majority of Manitobans. Like many people in this province, all of us aren't intellectuals. I certainly am not - I speak for myself. We don't all live in — (Interjection) well, yeah, high expensive homes and in the finer areas of our city.

The Leader of the Opposition, Mr. Speaker, should actually look around him. All the people of Manitoba don't wear the pinstripe suits and they all aren't big farmers. As strange as it may seem, Mr. Speaker, there are many Manitobans who really don't own their own businesses. There are many of us that don't. So, he looks down his nose at many people on this side of this House, just as he looks down his nose at many of the citizens of this province who also don't have the kind of backgrounds that he would approve of.

I might add, Mr. Speaker, that if the Leader of the Opposition was born with a silver spoon, if he was, in his mouth, the biggest mistake that his parents made was to remove it. Yes, Mr. Speaker, they should have left it there but, although at this point in history, they may have had to replace it with a silver shovel. That's what they may have had to do.

The Leader of the Opposition, he's something like the 18th Century philosopher, John Locke, who believes in majority rule. It is majority rule of the property class. Rule by those with the proper backgrounds. It certainly doesn't include those he has slurred in his Throne Speech, like the workers; the gypsies; individuals with Grade 11 education and those of us with improper backgrounds. Hestates that the New Democratic Party is unfit to govern by background.

I wonder what he means by this? What does he mean by this? When you compare the backgrounds of the representatives of the two parties in this House,

one thing I have to tell you, Mr. Speaker, is striking. By contrast to the Conservatives, we in the NDP, are well represented by various racial and ethnic groups in this House. Mr. Speaker, I would say it is the unity of our group drawn from such diverse social and economic and ethnic backgrounds that gives our party its strength here and in Manitoba.

I want to put it to the Leader of the Opposition. Am I unfit to govern because of my Ukrainian background? Is my friend, the colleague from Rupertsland, unfit to govern because of his Native background? Is my friend and colleague, the Member for Burrows, unfit to govern because of his Phillipine background, Mr. Speaker? Is that what he is speaking about? Mr. Speaker, it's my view that this party is fit to govern precisely because it represents the people of diverse backgrounds that make up this fine province of ours.

You know, apparently it galls the Leader of the Opposition that labour leaders and labour in general support the New Democratic Party. You know -(Interjection) - Well, Mr. Speaker, referring to the Economic Summit in Portage, the Leader of the Opposition - he neatly makes a distinction between their labour leaders and good representation from the Chamber of Commerce, Mr. Speaker. We don't make that representation and that distinction; that's what he makes. Of course, Mr. Speaker, everyone knows where the Leader of the Opposition stands. The good leaders of business as opposed to those leaders who support the NDP are only the ones who are fit to rule. That's what he is really getting at, Mr. Speaker. If I was John Locke, Mr. Speaker, I guess I would be applauding in my grave.

Mr. Speaker, finally, it must be highly annoying to the Leader of the Opposition to see a contingent of highly capable New Democrats who happen to be women. You know, in his response to the Speech from the Throne, he referred to 'that breed across the way,' Mr. Speaker. His comment made me recall what I would say, his ill-advised slur against women, when he assured the world that Tories liked women - they were good breeders. We won't let him forget that one. Women and all human beings with any humanity were offended by that statement. I want to assure this House that it's the women of the New Democratic caucus, along with other individuals from so-called improper backgrounds, give this party its strength, Mr. Speaker.

The Conservative Party in characteristic fashion condemns our government for its lack of programs. Then when we bring in programs, they become concerned about this government inflating the deficit. That's been the name of the game. That is the name of the game. They even complain about the fact that we aren't listening to the people of Manitoba. Let me assure you, Mr. Speaker, and all the members opposite, that we have listened to the people and we are continuing to listen to the people of Manitoba. That's why we were elected, only for that reason. Yes, Mr. Speaker, because that's really been our approach to government.

Mr. Speaker, now we have the Honourable Member for Morris. We will see what kind of spending he wants to increase when he gets up and discusses the Estimates of the various departments. While we firmly believe in working towards the creation of a more

equitable and humane society, Mr. Speaker, we have to admit that we really don't have all the answers, and we do admit that. We don't have the answers to all the problems that face us but this is certainly in contrast to that used by the Conservative Party.

Mr. Speaker, the Leader of the Opposition often declares that he knows what is right and his party knows, or they think they know what is best for the people of Manitoba. After all, there sits the party which is fit by background to govern. But as I've said, we here in the NDP believe in the consultative process. We believe in it and we will continue to use it.

Mr. Speaker, before we introduced a plan for Manitoba beef, I have to say we consulted extensively with the producers of this province. Ultimately, I would have to say we've developed as effective and popular a plan produced basically by the farmers of this province that anyone can find anywhere in this country, which was produced as a result of that consultative process. What did you people do for those same producers? What did you do for them? They asked and they pleaded with you that they were in difficulty, that they were in trouble, that they needed help. Not until November 6th, Mr. Speaker, was the committee called to meet, that would get us out of trouble because we have a difficult dilemma. Right during the election campaign they held their first meeting. -(Interjection) - Pardon me, what did the member say? I want to show you when that committee met. It met on November 6th, 1981. During what period, Mr. Speaker? During the election campaign.

But, Mr. Speaker, in the summer prior to the election, their organization came to government and said, 'We need financial help,' the organization that they set up. Do you know what the Minister of Agriculture at that time said to them? 'There is no support for the program, go away, go away, we are turning you back, go away.'

Mr. Speaker, what happened with this group? They said there was no recognition, that they didn't listen. What did they do? They introduced a piece of legislation that forced every beef producer in this province to belong to and finance an organization set up by the Conservatives. Mr. Speaker, talk about listening. But why did they do this? I guess, Mr. Speaker, because in the mid '70s when there was a vote, a majority of producers voted against the establishment of this kind of an organization. That's why they were listening because a few years before that, producers voted against any kind of an association, but we wanted to listen to the producers. 'We'd better just ram it down their throats,' and that's what they did.

Mr. Speaker, who conducted the vote? —(Interjection)— It was asked for by the producers of this province and this government accommodated that vote. Mr. Speaker, that wasn't a vote on the marketing board; it was a vote on the association. There was more than one vote, the member should remember. If he doesn't remember, I'll remind him. How did they listen to producers? They brought in a piece of legislation, you belong. Well, Mr. Speaker, that's how they listened to the producers. Mr. Speaker, it really is logical for this arrogant and dictatorial Conservative group to shove their plan down the throats of all beef producers.

In response to concerns expressed by many farmers,

homeowners and owners of small businesses, we introduced the Interest Rate Relief Program and the program, as all the members know, is aimed at assisting those in severe financial distress. We admitted and I told him last Session and I told all the members of the House, that the program is not a large program. It will not help everyone, Mr. Speaker; it could not. We knew that and we said that publicly. But the Opposition is really not happy with our efforts.

In criticizing the farm component the members opposite say that there are no farmers, that farmers earning \$70,000 or less in gross sales don't exist. You know, we didn't concoct those figures;wWe didn't hide or develop those figures. We used Stats Canada figures and Revenue Canada data that showed us, that told us that between 70 and 80 percent of Manitoba's farmers gross \$70,000 or less. Mr. Speaker, maybe the Conservatives should start meeting some of those farmers. Maybe they should go out and start meeting some of those farmers who don't exist because maybe again these farmers may not have the background that's really considered suitable by the Conservatives.

I have to tell you, it takes the Member for Pembina you know, just last week in the Throne Speech debate, Mr. Speaker. Here, I'll quote the date from the Valley Leader, December 8, 1982, Mr. Speaker, where the Member for Pembina said that most southern Manitoba farmers are excluded from the plan. Mr. Speaker, I wrote the member in September because he wanted some details on the program. Do you know where the bulk of the clients are from, Mr. Speaker? From the area that is represented by the Member for Pembina and the Member for Arthur; more than half of the people in the program are from their areas. They should maybe go around their ridings and meet some of those farmers that are being helped by this program. We know that we can't help some of the large farmers that are in great difficulty. In fact, the Member for Turtle Mountain, Mr. Speaker, hit it right on. There were some bad mistakes in terms of financial management, Mr. Speaker, because people fail to recognize what the cash flow will be, what the income will be.

Mr. Speaker, that is why we are having the great difficulty in the agricultural sector to a great degree, exactly for that reason, because we saw land prices escalating to great heights, that there was no end to the inflationary spiral and our dear old financial institutions just went along and poured the money in because they saw there was no end, Mr. Speaker, unending. Now we have debt loads on farms for \$750,000, \$500,000, \$1.5 million, Mr. Speaker. Who can bail those out? No one can bail those out, Mr. Speaker, no one can bail out those people in financial difficulty at all. He is right, Mr. Speaker, when he points to listening to the banks. The banks should have listened and watched and done their own; they are as much to blame in terms of the financial crisis that we have today in terms of agriculture in this province and across this country in the way they handled their loan portfolios, Mr. Speaker.

Mr. Speaker, when we talk about consultation, we have met with farm groups and individuals concerning the farmlands ownership legislation but already the Conservatives are saying that we didn't consult

enough. Mr. Speaker, I asked them, who did you consult with when you made your amendments to the farmlands legislation in this province? You know, their amendments were a case of the cure being worse than the disease. Large amounts of our valuable agricultural land was and continues to be, gobbled up by absentee owners and foreign investors at what I would say is an alarming rate, after they amended the legislation in 1981, Mr. Speaker. I wonder who did they consult? I know they didn't consult with the farmers, Mr. Speaker. I know they didn't take the advice of farm groups in this province. I know they didn't heed the advice of their own appointed board. Who gave the Minister advice in writing? So, whom did they consult, Mr. Speaker? Maybe they consulted with the real estate agents; maybe they consulted with the speculators and the foreign owners, Mr. Speaker; maybe that's who they consulted with or some of the legal counsels who are fronting for these investors who are legal under the legislation. That's who they must have consulted with.

I suggest, Mr. Speaker, to my honourable friends that maybe those are the only people you consulted with, that's why you are now on that side of the House. I think they're prepared to close their eyes, Mr. Speaker, that even though more and more of our farmland becomes increasingly less available to Manitoba farmers through the method of speculation they are prepared to allow that to happen, Mr. Speaker, and they will use the guise of wanting to allow Canadians, protecting some rights of Canadians, that will be the argument in their speeches, that will be the thrust. There will be another thrust in their speeches, Mr. Speaker, I tell them right now that this piece of legislation will lower the price of farmland in Manitoba, that will be part of the argument. Mr. Speaker, it is already lower, at least the Member for Morris acknowledges it and has nothing to do with this piece of legislation. He'd better tell his colleague in whose seat he is sitting, as to what will happen, Mr. Speaker.

They say that they are in touch with the people of Manitoba. I suggest they really pull their fingers out of their ears and really listen because obviously they're not listening to the farmers and the people of this province, Mr. Speaker. The more we speak to the citizens of rural Manitoba, we find out that they really have very limited concerns about farmlands ownership legislation and, Mr. Speaker, those concerns are only there because of the misleading statements and scare tactics that have been generated by your side and some of the editorial writers in the media. Absolutely, Mr. Speaker, it is. Do you remember the editorial which was fueled by the opposition members of the six factual errors in an editorial? They weren't errors in fighting against the principal legislation; they were errors in fact. Mr. Speaker, and they were perpetrated by the members of the opposite side.

Mr. Speaker, if the Act we propose was in reality as it had been portrayed by the Conservatives, I, too, would have been concerned about it. The subject of editorials and editorial writers reminds me of a part of a speech of the Leader of the Opposition, in terms of using quotes. He's starting to use editorial writers to quote from in terms of replying to the Speech from the Throne and I have to say that it was kind of comical who he was using, Mr. Speaker. In the past, the Leader

of the Opposition has impressed this side of the house with quotes from various distinguished scholars and philosophers, but I notice now in his reply to the Speech from the Throne, who is he quoting? He's quoting from Fred Cleverley's column. Is there a message there, Mr. Speaker? Is there a message in those quotes, Mr. Speaker? His tactics have changed; he's now using Fred Cleverley. Don't get me wrong, Mr. Speaker, I really don't have anything against Honest Fred, Mr. Speaker, I really don't. He, like the Leader of the Opposition, doesn't really get the recognition that he deserves, Mr. Speaker. I would suggest that in his editorials — (Interjection) — Mr. Speaker, no, no, no. In his editorials there should be a little highlight in front of the editorial, 'Official voice of the Conservative Party' should be entitled there when he writes his editorials. Then I would say, no problem, that should be added to all his articles. Mr. Speaker, maybe I'm limited because of my improper background but I fail to be impressed by the words of wisdom from someone who has trouble even remembering his name. Honest Fred doesn't know how to remember his own name, Mr. Speaker. There used to be a name floating around here calling that same person — (Interjection) no. I won't. Cleverley Fred. Fred Cleverley.

Well, Mr. Speaker, I would have to say that - no, no-I consider this my modest initiation into the world of better politics, Mr. Speaker, which my friends across the way practise so well. They want a taste and they will get a taste of better politics, but let me tell you, Mr. Speaker, that although I have tried to follow their fine example, it will never be a case of the - as one can put it - the pupil surpassing the teacher in my remarks. No, that's probably why I'm just a puppy in this whole. No, I really couldn't overcome the natural advantage that my colleagues on the other side seem to have, Mr. Speaker. I guess it's a matter of background; I don't have the background and I guess that's the problem, Mr. Speaker. So, Mr. Speaker, my honourable friends know and they should realize why they are on the other side of the House. Thank you.

MR. SPEAKER: The Honourable Member for Niakwa.

MR. A. KOVNATS: Thank you, Mr. Speaker. I would like to take this opportunity, Mr. Speaker, to wish you good health for the future.

I would like to also congratulate the appointment of the new Deputy Speaker and the new Chairman of Committee. I would like to congratulate the four new Ministers. I would like to congratulate a Rt. Rev. Walter Jones, the new Bishop of Rupertsland, who was just appointed.

There's a method in my madness inasmuch as Walter and I went to school many years back and we come from the same type of a background. It's not the same ethnic background but I'm going to talk about ethnic background in a minute. I don't appreciate some of the remarks that have been made.

I would like to also congratulate Mr. Paul Robson, the new Manager of the Winnipeg Blue Bombers. It's part of my background and I wish him every success in the future also. —(Interjection)— Next year Grey Cup for the Winnipeg Blue Bombers - my prediction.

In the five years that I've been in this Legislature I have always kept my cool; I've never lost my temper

under any circumstances. I've always, —(Interjection)— no I've never lost my temper. I've always been able to control my temper and if I ever lost my temper it was still under control, but in the last couple of days . . . You know, when we were kids we used to play a game. Try to crack the other one, try to embarrass the other person, and you've not been able to do it, up until just a couple of days ago. But I've got to congratulate all of you - you cracked me, you embarrassed me by some of the things that I've heard coming from that side over to this side and it's all on ethnic background. Why areyou doing it? I can't understand it. Well, my leader did it, eh?

Okay, the remark that was made; there was some reference made to background and for strictly political purposes, it was picked up and that background was turned over to an ethnic background. There was no reference to ethnic background but it was converted to ethnic background and it was thrown across. Read — (Interjection) — okay - but by accusations and innuendos, you're suggesting that this side is against everything that's ethnic, particularly the ethnic background. Making reference to the Ukrainian background and all of the other backgrounds. There's no reason for it. We have ethnic background on this side.

We are of all one accord but for political purposes you're trying to use it to get some of that support from the ethnic people in this province, to support your side rather than on a political basis, like they're against us, you are with us.

I had a fellow working for me when I was in the —(Interjection)— Sydney Green - yes - fair enough you know. You mention the name Syd but I've got a story that's going to come with that one in just a couple of minutes. Yes, I can sit over here for . . .

MR. SPEAKER: Order please. Order please. I'm having some difficulty in hearing the Honourable Member for Niakwa.

The Honourable Member for Niakwa.

MR. A. KOVNATS: Mr. Speaker, a few years back I learned about the ethnic background from an early age - not a criticism - I come from a Jewish background, a Canadian background but of Jewish ancestors, and I'll tell you I know about ethnic backgrounds. Don't you dare point a finger over on this side because I'm one of this side. I'm one of this side.

Anyways, a few years back I had a coloured gentleman, a black fellow by the name of Arthur Brown, and I'll mention his name because he just happened to come back in the city not too long ago and called me because we are friends. Arthur was working for me as a parking lot attendant. Arthur used to charge the customers the regular prices when they came up and the customer would come up and say, where's that money going - to Israel. Your boss sending it to Israel? Arthur would say no, no, that's the regular price; he used to defend me and finally one day somebody said to Arthur, after giving him all of this criticism about his Jewish boss; Arthur would look at him and he's very very black, you know, you couldn't mistake him, and he would say "is it something personal against me, Sir?" The customer would look at Arthur and boy, oh boy you can make them back down. Oh no, no it certainly isn't. That's what you people are doing. You're making these innuendos. You are suggesting that we are bigots - we are not. Don't do it anymore - you're not going to get any political gain from it.

A MEMBER: You tell them, you tell them.

MR. SPEAKER: Order please.

MR. A. KOVNATS: I've been watching some of the antics in the House. I have the greatest support for the Speaker of this Legislature and the office which he represents. I would never do anything to embarrass the Speaker, under any circumstances. I have noticed that the Speaker has been embarrassed.

We've picked it up because of the embarrassment that has been ultimately caused to one of our members being expelled. I'm not going to speak on that member being expelled, just to mention it. —(Interjection)—Well, no, I'm not going to reflect on it is what I'm really saying, so I'm not going to be ruled out of order. But for it to go through that whole process and for the Honourable First Minister, the Attorney-General to put the Speaker in a position to be criticized for the job that he's doing; we wouldn't do it. Why would you do it with a gentleman that represents all of us? He might have threatened the Speaker very openly, but he didn't do anything underhanded by going to try to influence the Speaker on a particular decision.

I've been looking and watching during the question period and I've already said I'm not going to sink to the same levels as what I've seen over there, but I guess I have to, just to get across some of the points. I watch a little bit of television and I see a program called "Family Feud" with this Richard Dawson and he asks them some questions, you know, how many people out of a hundred would answer in this regard, and they answer. Some of the answers are stupid but you see them good answer - they start to clap, good answer.

This morning I heard the Honourable Minister of Finance make an answer to a particular question and there was the Attorney-General, (clap, clap) good answer. It wasn't a good answer. You people don't know what a good answer is. You are criticizing us for some of the things that we do; I'm criticizing you for some of the things that you do. It wasn't a good answer

The Minister of . . . — (Interjection)—

MR. SPEAKER: Order please.

MR. A. KOVNATS: We're just being really sharp in a master of repartee. Please be quiet.

Ransom is predicting an \$800 million deficit. I'm going to go to the deficit that is in existence right now, not what is being predicted, but the actual deficit - and if I'm out a million dollars, I hope you'll forgive me, because I'm going to use the figure of \$500 million of deficit. —(Interjection)— Well, that's the figure I'm going to use; that's \$500 for every man, woman and child in the Province of Manitoba, approximately, Mr. Minister, approximately, \$500 deficit for every man, woman and child in the Province of Manitoba.

A friend of mine —(Interjection)— that's right. A friend of my family just gave birth to a little girl last month and now I'm going to give you the scenario in

the hospital room. I'm going to give you the scenario of this little girl that is being born. We send a card, the doctor is there and he's got to get this little baby born. Usually they give them a slap on the - I don't know what word is acceptable - but the part you sit down on and it gets them to cry. Well they don't do that any more. All they tell them in the hospital - and just assume that the baby could understand - they tell the baby the deficit is \$500 million to get the baby to cry and to start to breathe. But sometimes that doesn't work. Sometimes that doesn't work and the baby doesn't start to breathe and start to cry; so we predict for the following year at the same rates, the deficit is going to be somewhere in the area of \$880 million for the following year. Now the baby starts to cry and starts to breathe. But you look all around the room, the doctor is crying, the nurses are crying, \$880 million deficit for the following year. Now that's kind of a guess. I hope the economy will turn around and we won't run into that kind of a problem but that could happen, \$880 million.

I remember seeing a picture called Mr. 880 about an Edmund Gwen, who was a little old man and he was a bit of a counterfeiter. As a matter of fact and I'm not making any insinuations — (Interjection) — No. What had happened was this Mr. 880 used to make these little counterfeit one dollar bills and he had an 880 serial number on them and that was the only way they could identify it - and I think he signed his own name rather than the President of the United States or whoever does sign these one dollar bills in the United States - and our Minister, and I'm not sure because I heard some remarks and some criticism on when you make remarks, like if I called him Mr. 880, would I be out of order? I think not because it's not a damning term and it's not an endearing term either, but it's not bad

I just wanted to bring up that deficit because the thing that bothers me so much on that deficit is we can build a dynamic future in Manitoba; we can turn around the harsh economic circumstances of the past four years. Now I'm not accusing your side as the cause of this downturn in the economic possibilities here in the Province of Manitoba - it's not your fault. It's not your fault, it's not our fault - it's the world economy - but you do contribute a litte bit to not seeing that we come out of this downturn in the economy.

There are things that you could do that could bring us out somewhat, not completely because it's got to turn around all over the world, it's not just going to be in Manitoba. I'm not going to accuse you. I'd like to and I'd like to tell all the people in the Province of Manitoba that it's your fault, but I can't do it. There are other things you're responsible for that are just as bad but that one, I can't say that you are.

I don't play follow the leader and I don't do what the others do, I can pretty well think for myself, but this message from Howard Pawley, the biggest scam - I don't think scam is an improper word - the biggest scam that's been ever forced on the people of the Province of Manitoba. A message from Howard Pawley. Now you're going to say, look, they went in with their eyes open - and they did - and people are intelligent enough to know what they're doing, but it's not going to happen again. Beware, beware.

Just a couple of little extra words here concerning the Department of Education. I see Maureen sitting there and I see the Honourable Minister of Education sitting there and I'm not that critical of the Honourable Minister of Education because what we have done is, I guess through The British North America Act, we've taken all of the responsibilities that are given to us as a province and we've turned them over to somebody else. But we can influence those somebody elses.

I've got two schools over in my area that are sitting there - help us do something with it; I know you're considering it and I only bring it up for discussion so that you will think more about it. I'm not asking any questions on it, just be aware. We'vegot two schools that we've closed and I need some help in that regard over in my area. I need some help in my regard and tenure for some of the teachers because we have an increase in the immersion program and I'm a supporter of it, except that there's going to be some people that are going to have to suffer because of it. Some of the teachers who are teaching English are going to have to suffer. We've got to do something about those to protect their rights.

We have got a conflict in my area between the francophone teachers and the English teachers. —(Interjection) — No, we don't have to burp the baby. All we do is tell them that the old \$500 and that helps, and the gas comes flowing. Anyway, we got a bit of a problem there. Please Madame Minister, interfere, do something about it; we need some help over there.

I'm just touching on a few things and I'm not going to keep on rambling because you people do- we don't - because we say what we have to and we sit down. The Honourable Minister of Agriculture, I just have one little thing I've got to tell him, I see where all of these things come back from way back. I remember an opera called Faust where the devil makes a deal and what he wants in return is the soul of the person he makes a deal with. To the Honourable Minister of Agriculture, to the beef producers, give them the help they need, don't suck back their souls to pay back. Let them have an opportunity to do well, to make some money. Let's keep them in business, we need them in business.

I was going to make a little light on a couple of things about the little girl who was asking her mother, "Mother, do all fairy tales start with 'once upon a time?" The mother said, "No, not all fairy tales. Some of them start with, 'I'm sorry dear, I had to work late at theofficelast night." That's quite humorous but if you people are going to sit there and not think it's humorous, fair enough. The other way that fairy tales start—(Interjection)— oh my God, we've got Mr...down here. The other way fairy tales start is the people in the Province of Manitoba go out and they vote for the New Democratic Government; that's another way fairy tales start.

I've just got one other criticism and I would like to be on the record. There is . . . it says, 'Group backs Dr. Morgentaler.' I am a very strong supporter of the groups and the people that are against abortion on demand. There are some cases that are necessary but abortion on demand is a thing that - it's not because of my religious background, it's because of my moral background. It is absolutely of utmost importance that we don't just sit back and let things happen. You

can't threaten somebody you're going to do something, because if somebody threatens you they're going to do something like they're going to start up an abortion clinic in Manitoba, he's going to do it. It is against the law of morals and it's against the laws of the country. Let us stop him now before he goes too far. Let not the Attorney-General sit back and say what will be will be, and we will listen to all of the presentations. The law states what the law states; he is not allowed into Manitoba. Let's make no bones about it. let's tell him he's not allowed in Manitoba.

I don't want to keep rambling. Oh my God, I thought I was only going to speak for about 10 minutes and I kept on rambling so I'm not really going to speak that much longer, so whoever from your side is planning on getting up be ready because I've only got another couple of minutes that I want to speak.

The Honourable Minister of Health was beautiful the other day. He got up and he said when the discussion was going on, and I'm not reflecting on what the discussion was, with the Honourable Minister of Community Services. I'm not reflecting on what had happened. But the Honourable Member for St. Boniface, the Minister of Health, got up and said, what are we doing? We've got more important things to be doing than discussing it to the degree to which it was discussed. I've got to agree there's only one alternative, Mr. Speaker, if the Honourable Minister of Community Services would just get up, apologize for misleading the House, and resign, it would have been so easy. —(Interjection)— If I brought myself down to that degree, Mr. Speaker, I apologize.

I never would have made a remark like that up until the last couple of days; I never would have done it and you know it. What are we doing? Please, let's get a little bit of cooperation. Let's support the Speaker so there's no undue influence on him and let's try to run this Legislature like we were elected to do.

Thank you.

MR. SPEAKER: The Honourable Member for Inkster.

MR. D. SCOTT: Thank you very much, Mr. Speaker. First, may I congratulate you on your dramatic recovery over the past year, the determination and fortitude that you have shown through therapy and for the near full restoration of your health.

I would like to offer my congratulations to the newly appointed Deputy Speaker, the Member for River East. I'm sure he will conduct himself in a manner which will bring pride to this House, in a manner as he has conducted himself within our own caucus on keeping points of order straight and of keeping the dialogue of discussion significantly above what it often sinks to in this House.

I'd like to offer congratulations to my four colleagues who have risen into the Cabinet, the Honourable Minister of Labour, the Minister of Housing, the Minister of Government Services and the Minister of Coop Development and Consumer and Corporate Affairs. I'm sure they will conduct themselves in a way in the future as they have in the past few months since they've been appointed, which will bring pride not only to our party but to our government and the people of Manitoba.

Mr. Speaker, the first thing I want to address in the

reply to the Speech from the Throne is the matter of decorum in this House. Last year the present Minister of Housing rose on the issue, pointed out how the level of decorum in this House has fallen. I had hoped that we would have had a much higher level of decorum in this House when we returned. Unfortunately, I honestly believe and I feel this is going to be justified out in the press reports of the conduct of the members of the Legislature as well, that the decorum of the House has fallen instead of risen. We've had an incredible - I don't know what to call it and this is maybe not the best of decorum in relating to it in this way, but the only terminology - I guess it's a bit of a twist on words and phrases that the Leader of the Opposition started off with, that so many of the speeches and the rhetoric that we have seen in the House so far is more reflective of a tornado of cow flops than it is of debate and discussion in the Legislature.

I think we need some rule changes. I think we should be looking to the Federal House and the changes that they are making to try and make the Parliament of Canada more of a House of debating and less of a House of rhetoric.

I would like one thing for us, and the Federal House does not have this, but one of my own pets that I would like to have included in here is that in Hansard, that where comments are intelligible, they are picked up so that the public, through Hansard, can see some of the conduct and some of the comments that come flying across the floor from time to time from members of the House - from both sides of the House - not just one side of the House. It's not necessarily a partisan comment; I just think that we are at the brunt end of an incredible number of diatribes.

One of the measures that they have introduced which I really like, is to limit the speeches to 30 minutes in length and to permit a 10 minute question period after that. That, I think, will have a dramatic effect in the Federal House. It's going to lessen the amount of rhetoric, lessen the amount of loose phrases that are used, and the responses to them can be limited to 10 minutes rather than people getting up and speaking for 20 minutes or 40 minutes on the issues.

People will have to be accountable for what they say. They can't just get up and give a bunch of fictitious facts; things that have no credibility. They're going to have to be accountable and they're going to have to respond. I will be giving facts that are not fictitious facts, as I continue on in my speech as I did last year in the House, both in the Speech from the Throne and also the Budget Speech and other participation that I took part in last year in the House.

Another part we should be looking at very seriously and very significantly is the televising of the complete sitting of the Legislature, not just question period. That is one aspect that the people of the province will see more of the House in action. They will see who is here more often, that's true - they'll see much more of that. They will also see the conduct of the members. They'll hear more of the comments of the members a little more clearly and be able to relate to it and to the comments. It would also help take away, which I think the media in a way, has taken away and really hasn't fulfilled its duties in covering the Legislature, and yet they concentrate so often simply on question period

and they forget the rest of the House. Mind you, sometimes the House is rather forgettable and it's just as good that they don't cover it.

I think if we're going to be offering coverage of media coverage or of electronic media, in particular of television, that it should be in the House at all times and not just for the 45 minutes of question period.

One other slight thing that was mentioned last year, I think, and it's certainly acceptable on the highways and what not, although I haven't noticed it yet this Session, I sure as heck noticed it last Session and that would possibly be the introduction of when you come into the Legislature and bow to the Speaker, that you blow into a breathalizer test tube. —(Interjection)— What I mean by that is that the level of debate in the House is exasperated when people come into the House and/or into Committees, after having had a liquid supper or a liquid lunch. It does not add to it. I'm not making references to any individuals, Mr. Speaker. I'm not making reference to any side of the House, or whatever. Anyone who denies that has happened in the past in this Legislature is denying basic truth. I think that's one of the hidden reasons, Mr. Speaker, why the Federal House has moved to cancel evening sittings of the House because it is a real problem in the Federal House. Parties from all sides recognize the problem and are trying to address it. It's not totally a facetious suggestion, but it is a suggestion that if there are measures that need to be taken to help the decorum of the House. I think we should be address-

I'd like to move now away from rule changes and decorum of the House a little bit and just relate a wee bit to the tone of debate. The vindictiveness that we've had thrown upon the government, the government Ministers and government in general towards public servants - the people who served this province for years. The destructive, the personal slurs that have come across do absolutely nothing for the House and there's so much of that, it's not funny. They've become, Mr. Speaker, a trademark of Manitoba's breed of Toryism and it's known countrywide. I'm sad to see that it is starting to permeate the party in other parts of the country as well. They don't seem to be learning from the lessons that they've had here in the past four years.

To see the number of people who are standing in this House now that there's an active leadership campaign on, mimicking the conduct of the leader - the leader challenging the Chair from his seat. For the Member for Fort Garry, who I'm sorry isn't here at this time, is a member that I personally have an awful lot of respect for, and in his conduct yesterday I really —(Interjection)—

MR. SPEAKER: The Honourable Member for Tuxedo.

MR. G. FILMON: Mr. Speaker, as the member, I think, knows full well, it's totally inappropriate under our Rules to refer to member's presence or absence in the House.

MR. SPEAKER: The Honourable Member for Inkster will surely take that advice to heart, I'm sure.

The Honourable Member for Inkster.

MR. D. SCOTT: Thank you, Mr. Speaker, I apologize for that. We've had very caustic remarks, Mr. Speaker, remarks related to people's backgrounds, remarks in whether their background - I don't know whether the intent of that was economic class or whether it was slur towards what one's ethnic background may be. I hope that it wasn't, but even if it was towards the economic status of people, or whether or not they've been in the business community or in the farm community or what kinds of experience they may have had. I happen to have had more government experience than a good number of the members opposite who have been here for several years, on my own behalf at least.

We've had, I think, a return to Tory elitism. It shows very clearly the degree of Tory elitism. I refer to a column which I believe has been referred to the House already, by a person who is a rather caustic writer, but also very supportive of the Conservative Party and that's Allan Fotheringham's article in this week's edition of Maclean's Magazine where he says, "Your average Tory delegate sees no need for better job opportunities for women or minority groups. The Tory incarnate wants to cut spending on day care, unemployment insurance, family allowances and job creation programs. But at the same time, they want to turn around and reduce taxes on corporations." This is by a person who has come out, clearly speaking, asking he's pleading with the Conservative Party to clean up their act and to start changing their mentality because he expects them to come to government on the federal level in the next election. What he is fearing is that the same thing that happened the last time they came to office would be just a simple repeat of the 1979 experience.

I'd like to spend a few minutes commenting on a couple of the remarks regarding financial implications in the province; of people talking about financial integrity; of people talking about the Minister of Finance delaying reports or one thing or another - his disrespect.

When I was an employee of the Crown in the Department of Finance we had a gleeful government of the day asking us, okay, what's the deficit? How much can we add to it? Give us the worst possible scenarios basically and that's when they came up with their \$225 million figure. That did not satisfy them. I think the date was April 30th they got notified that they were going to have to pay back \$30,625,000 of revenues to the Federal Government, where the Province of Manitoba had been over-paid in previous years, and it wasn't just in one year 1977-78, it went back to 1976. They decided for the first time to change the rules of accounting. They took that \$30,625,000, which was deducted from 1978-79 income and reduced the 1977-78 income by that figure and declared that the income they had received the following year was that much higher.

MR. SPEAKER: Order please. The Honourable Minister of Government Services on a point of order.

HON. J. PLOHMAN: Mr. Speaker, is it proper procedure in here to have one of the members whistling while one of our members is speaking? The Member for Pembina has been whistling steady here.

MR. SPEAKER: The Honourable Member for Pembina to the same point.

MR. D. ORCHARD: Mr. Speaker, did the Honourable Member for Dauphin have a point of order?

MR. SPEAKER: I believe that the Honourable Member for Inkster expects the courtesy of a quiet hearing the same as every other member does; and I would ask whoever has been whistling to cease and listen to the honourable member.

The Honourable Member for Inkster.

MR. D. SCOTT: Thank you, Mr. Speaker. A couple of other moves that they made at the end of that fiscal year to try and drive up the deficit of the previous government was they transferred a little over \$10 million to the Manitoba Health Services Commission. Later in the year, I believe it was in June, they transferred another \$12 million out of the revenue from the prior year, thus in total driving down the revenue of the previous administration of some \$50 million. Then they hadn't even learned their lesson from the flack they took on that, which was noted by the Provincial Auditor. They then turned around in 1980-81, their last year in office, and they included in the Budget, and it's been carried forward and included as well in the Public Accounts for this year, on which the Provincial Auditor commented once again and that is, the facetious including of \$25 million of a special municipal

I would suggest, Mr. Speaker, that one of the things we should be looking at doing - and I think that's the last big trust fund account - there's no money in the account. There was no \$25 million sitting anywhere, so it was nothing more than a book entry, it was unexpended appropriation from prior years, that the proper course in the future should be to come into this Legislature and to cancel previous appropriations through the Legislature, instead of letting people slide things back and forth around. That's what certainly happened in the past.

Mr. Speaker, the people of Manitoba last year, when they made their decision to elect a New Democratic Government, got a government that was very new; they got a government that was democratic; they got a government that did not demand \$1,000 for the ear of the Premier to share their pearls of wisdom. We even had a chap then, going by the name of Fred Cleverley, wrote in the Free Press, he said, "Lyon should lower his price for the ordinary folk." They even embarrassed one of their most ardent supporters, Mr. Speaker. —(Interjection)— No, it wasn't. That was Fred Cleverley who wrote that column, Sir.

The people have been consultative, the government has been consultative in turn. It's been very open. Our Ministers have travelled throughout the province. The Minister, who I am a Legislative Assistant to, the Honourable Minister for Natural Resources, has travelled extensively, has spoken extensively and the people in the communities where he has visited have certainly appreciated the kind of attention that he has given to their problems and he's been very frank with them - he's not an exception. The rest of our Ministers have done the very same. They've recognized that you don't just make contact with the public once every

four years; you should be doing it on a continuous basis and that they have done.

Myself, and the rest of the backbenchers have also endeavoured to do that and travelled as much as we possibly could, where we could find time to get out and to meet more people in the areas outside of our own particular constituencies, and I think that is a trademark of this government, and that is of consultation and of listening to the public.

One of the things that's certainly been a very major success was the Economic Summit held the first week in November. One of the things that the Conservatives are so critical about is the whole concept of us having a successful Summit with leaders of labour, of business, of farm groups, Native groups, is that they cannot believe. They are so right wing in their own thinking and so polarized in their own thoughts that they just cannot accept that prominent businessmen from around the Province of Manitoba will consult openly with the government and with the business community - government and business working together. Working together with announcements from everything from housing, to let them know that they should be starting to gear up, to have participation in them and developing what is probably the most significant and successful housing program in the whole country.

We have made more moves in housing than in our previous record of office from 1969 until 1978, and many many times in the contribution that the members opposite made to housing. In my own constituency they had an area with, I believe, it's close to 400 lots fully serviced, available for them and I know there wasn't any more than about 35 or 40 houses that went up in the four years they were in office. We have already received in that constituency, they have sold 70 lots, 25 houses are under construction, the bulk of them are even up to the stage of putting the finishing touches on the homes. There's one or two of them that have been completed. All of this has come in straight from the cooperation and initiative provided by our Minister of Housing and provided by the building community itself.

Mr. Speaker, I think the time has arrived to 1:30 p.m. If I could, I'll break now and then continue on Monday when we return.

MR. SPEAKER: Order please, order please. The time of adjournment having arrived, when we next reach this motion the honourable member will have 21 minutes remaining.

The House is accordingly adjourned and will stand adjourned until 2 p.m. on Monday afternoon.