



First Session — Thirty-Fourth Legislature
of the
Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS
(HANSARD)

37 Elizabeth II

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fourth Legislature

Members, Constituencies and Political Affiliation

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	LIBERAL
ANGUS, John	St. Norbert	LIBERAL
ASHTON, Steve	Thompson	NDP
BURRELL, Parker	Swan River	PC
CARR, James	Fort Rouge	LIBERAL
CARSTAIRS, Sharon	River Heights	LIBERAL
CHARLES, Gwen	Selkirk	LIBERAL
CHEEMA, Gulzar	Kildonan	LIBERAL
CHORNOPYSKI, William	Burrows	LIBERAL
CONNERY, Edward Hon.	Portage la Prairie	PC
COWAN, Jay	Churchill	NDP
CUMMINGS, Glen, Hon.	Ste. Rose du Lac	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DOER, Gary	Concordia	NDP
DOWNEY, James Hon.	Arthur	PC
DRIEDGER, Albert, Hon.	Emerson	PC
DRIEDGER, Herold, L.	Niakwa	LIBERAL
DUCHARME, Gerald, Hon.	Riel	PC
EDWARDS, Paul	St. James	LIBERAL
ENNS, Harry	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Laurie	Fort Garry	LIBERAL
EVANS, Leonard	Brandon East	NDP
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen Hon.	Virden	PC
GAUDRY, Neil	St. Boniface	LIBERAL
GILLESHAMMER, Harold	Minnedosa	PC
GRAY, Avis	Ellice	LIBERAL
HAMMOND, Gerrie	Kirkfield Park	PC
HARAPIAK, Harry	The Pas	NDP
HARPER, Elijah	Rupertsland	NDP
HELWER, Edward R.	Gimli	PC
HEMPHILL, Maureen	Logan	NDP
KOZAK, Richard, J.	Transcona	LIBERAL
LAMOUREUX, Kevin, M.	Inkster	LIBERAL
MALOWAY, Jim	Elmwood	NDP
MANDRAKE, Ed	Assiniboia	LIBERAL
MANNES, Clayton, Hon.	Morris	PC
McCRAE, James Hon.	Brandon West	PC
MINENKO, Mark	Seven Oaks	LIBERAL
MITCHELSON, Bonnie, Hon.	River East	PC
NEUFELD, Harold, Hon.	Rossmere	PC
OLESON, Charlotte Hon.	Gladstone	PC
ORCHARD, Donald Hon.	Pembina	PC
PANKRATZ, Helmut	La Verendrye	PC
PATTERSON, Allan	Radisson	LIBERAL
PENNER, Jack, Hon.	Rhineland	PC
PLOHMAN, John	Dauphin	NDP
PRAZNIK, Darren	Lac du Bonnet	PC
ROCAN, Denis, Hon.	Turtle Mountain	PC
ROCH, Gilles	Springfield	PC
ROSE, Bob	St. Vital	LIBERAL
STORIE, Jerry	Flin Flon	NDP
TAYLOR, Harold	Wolseley	LIBERAL
URUSKI, Bill	Interlake	NDP
WASYLYCIA-LEIS, Judy	St. Johns	NDP
YEO, Iva	Sturgeon Creek	LIBERAL

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, August 22, 1988.

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

Hon. Gerald Ducharme (Minister of Urban Affairs): I would like to present a couple of reports. The first report is on the Rent Regulation Program for the fiscal year ended March 31, 1988; and the Annual Report 1986-87, Manitoba Housing and Renewal Corporation; the Annual Report 1986-87 of Urban Affairs.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

Hon. James Ernst (Minister of Industry, Trade and Tourism): I am pleased to table the Supplementary Information for the Estimates Review of the Department of Industry, Trade and Tourism.

INTRODUCTION OF GUESTS

Mr. Speaker: Before proceeding to oral questions, I would like to introduce the Honourable David Carter, Speaker of the Alberta Legislature, with us here this afternoon, in the Speaker's gallery.

On behalf of all Honourable Members, I welcome you to the Legislature this afternoon.

ORAL QUESTION PERIOD

Premiers' Conference Senate Reform

Mrs. Sharon Carstairs (Leader of the Opposition): I was surprised that we did not hear from the First Minister (Mr. Filmon) today on the Premiers' Conference, therefore, I would like to address—

Some Honourable Members: Oh, oh!

Mrs. Carstairs: —some questions to the First Minister with regard to that conference.

First of all, on the issue of Senate reform, can the First Minister (Mr. Filmon) tell the House why he was unable to get agreement from the other Premiers with regard to the concept of a Triple E Senate?

Hon. Gary Filmon (Premier): Firstly, I just wanted to say that I did not want to deny the Leader of the Opposition (Mrs. Carstairs) the pleasure of asking me some questions about the meeting. That is why I did not give her a statement today.

Secondly, with respect to the issue of Senate reform, I indicated prior to the annual Premiers' Conference and during the annual Premiers' Conference that my Government and I are strong supporters of Senate reform. Indeed, we favour the Triple E concept of Senate. We continue to be consistent in that. There was no question as to where we stood on that issue at the Premiers' Conference.

As the Leader of the Opposition knows, it takes more than just one province or even than just the western Premiers, because all of us are united in the West in favour of Senate reform in the Triple E Senate. But I would say, Mr. Speaker, that she should be asking her colleagues, Liberal Premiers Bourassa and Peterson, about Senate reform because it is they who have to be dealt with in respect to Senate reform. They are ones who, at this point in time, are not exactly full supporters of Senate reform. Perhaps, since they are of the same political stripe as the Leader of the Opposition, she might have some special relationship whereby she can help us to convince them that Senate reform is good for the country—you know, the fellow with the red tie.

Mrs. Carstairs: Of course, that is even exactly the point on this side of the House, that seven out of 10 is much easier to achieve than 10 out of 10.

Mr. Speaker, would the First Minister (Mr. Filmon) explain to this House how Senate reform is going to be possible after the Meech Lake Accord becomes the law of this land?

Mr. Filmon: To begin with, it is not just seven out of 10, of course. It is seven out of 10 having 50 percent of the population or better, so the Leader of the Opposition should be aware that requires either Quebec or Ontario. With Quebec not at the table because they are not signatories to the Constitution, it gives Ontario a total veto on constitutional reform. That is the situation that she wants to perpetuate in Canada and that is not the situation that we support.

Mrs. Carstairs: Can the First Minister (Mr. Filmon) explain to all Manitobans why Quebec was at the Meech Lake Accord hearings, both at Meech Lake and Langevin, if she would not, some time in the future, be also able to participate in a conference on Senate reform?

Mr. Filmon: Because Quebec is interested in rejoining the constitutional family of Canada. They all want to participate in the Meech Lake Accord, so that they can become full partners in Confederation again. They went there willingly, not under any pressure from anybody anywhere in the country, but because they want to become a part of the constitutional family. That is precisely what the Leader of the Opposition wants to deny.

Mrs. Carstairs: With a supplementary question to the First Minister (Mr. Filmon). Surely when a Government

* (1335)

receives funding, participates at conferences, attends Ministers' meetings at the First Ministers' and the Premiers' level, they are part of the Constitution. Quebec has never left this country and hopefully will never leave this country. Can the First Minister tell the House today how many Premiers agreed to the principle of a Triple E Senate?

Mr. Filmon: As the Leader of the Opposition knows full well or maybe she does not, the reality is that we do not talk about discussions that are private, commitments that are made within the confines of the members of the group who are the Premiers of this country. I think it is well known that many have indicated publicly that they are in favour of Senate reform. In fact, the Leaders of the western provinces, all the Premiers, are supportive of Triple E Senate, so is Premier McKenna. I believe one other Maritime Premier has as well publicly indicated his support for something like Triple E. The fact of the matter is, we still have the great difficulty of the two major, most populous provinces in our country, one not being willing to participate in Senate reform discussion without Meech Lake, the other having a veto as a result of that situation, and that is the situation that the Leader of the Opposition wants to perpetuate. We do not. We want to have our constitutional family once again united and we believe that is worth working toward.

* (1340)

Mrs. Carstairs: With a final question to the First Minister (Mr. Filmon). We have a need for Senate reform which is reflected in almost every dealing with the federal Government on the part of Manitoba.

Does this Minister (Mr. Filmon) have confidence that a reformed Senate can in any way, shape or form take a new existence after the Meech Lake Accord has been passed?

Mr. Filmon: Most definitely, yes.

Health Care Comprehensive Review

Mr. Gary Doer (Leader of the Second Opposition): It is rather curious to look at the number of times the First Minister (Mr. Filmon), when he was in Opposition, called for ministerial statements on important issues facing this province and his response today.

My question is to the First Minister (Mr. Filmon). In his health promises to the people of Manitoba he promised to have a comprehensive review of our health care system. I would ask the First Minister, is that review completed and could he please table that in the House today?

Hon. Gary Filmon (Premier): We have clearly indicated, and it is in the Throne Speech, if the Leader of the New Democratic Party (Mr. Doer) would like to read the Throne Speech. It indicates our commitment to the establishment of a health advisory network to do that comprehensive review of the health care system in Manitoba. We intend to move on that initiative. We indicated it in the Throne Speech and, in due course, we will be announcing the make-up of that health care advisory network.

Health Sciences Centre Bed Closures

Mr. Gary Doer (Leader of the Second Opposition): I guess the answer to my question is the comprehensive review is not completed. Is that right, Mr. Premier? I would ask the First Minister that he made a commitment to the public of Manitoba on April 12 that no beds would be closed until the permanent health care and comprehensive health care review was completed. I would ask the First Minister, in lieu of this commitment to the people of Manitoba, why his Government has allowed 22 beds to be closed on a permanent basis, contrary to his commitment to the people of Manitoba, at the Health Sciences Centre?

Hon. Gary Filmon (Premier): I am not familiar with the details of the question that the Leader of the New Democratic Party (Mr. Doer) has asked. I will take that as notice and bring back a response.

Mr. Doer: I would ask the First Minister (Mr. Filmon) to hold back these bed closings pending the comprehensive review. I would ask the First Minister to ensure that the commitment he made to the people of Manitoba on April 12 is maintained by his Government and by his Minister of Health (Mr. Orchard), and I would ask the First Minister to report back to this House on the impact on people and patients potentially with cystic fibrosis and other breathing problems for these 22 bed closings on a permanent basis, contrary to his promise to the people.

* (1345)

Mr. Filmon: Given the lack of factual information behind many of the assertions that the Leader of the New Democratic Party (Mr. Doer) has brought to this House, I will look into that matter, but I assure the Leader of the New Democratic Party we will keep our commitments and we will keep the promises that we made prior to, during, and since the election campaign.

Mr. Doer: I asked the First Minister whether he would overturn the decision of the Health Department in this respect as First Minister to maintain his commitment to the people of Manitoba.

Mr. Filmon: I repeat for the Member for Concordia, we will keep our commitments that we made to the people of Manitoba prior to, during and since the election campaign.

Foster Care Moratorium

Ms. Avis Gray (Ellice): Last week the Minister of Community Services (Mrs. Oleson) had a meeting with the Manitoba Foster Parents Association and presented an offer which is not acceptable to the association and is not acceptable to this side of the House. All the indications are that a moratorium will be in effect come September 1. Could the Minister of Community Services tell this House what contingency plans her department has for alternate placement of children come September 1?

Hon. Charlotte Oleson (Minister of Community Services): The Member has hit, of course, upon a very serious problem which has us very concerned. I was disappointed to hear back from the foster parents on Friday in response to my letter to them that they were still considering a moratorium. It is a black cloud hanging over us, but I think the Member is jumping too soon to the conclusion that there will be a moratorium. The Foster Parents Association have indicated to me that they are going to go to their membership and discuss it with them and get back to me later this week.

Ms. Gray: A supplementary to the same Minister. Given that September 1 is looming and the Foster Parents Association, although they are going to their membership, quite unfortunately feel that there will be a moratorium on September 1. Could the Minister tell this House what contingency plans are in place for the alternate care of children and can she assure this House that placements for children in Winnipeg will not occur outside the city and that placements for children all across the province will not occur in institutional settings which would be inappropriate?

Mrs. Oleson: I certainly would never intend to put children in places that were inappropriate and I think that is a strange remark for the Member to make. We do have, and my department and I are working very diligently to make sure that there are contingency plans in place. We hope we do not have to use them, but we have to go on the assumption that this may happen. My department has contacted and is meeting with, on a daily basis, the agencies because it is the agencies' responsibility primarily to find homes for foster children. So my department is working with the agencies; we are coming up with a plan. It will be announced if there is a moratorium actually taking place, which we hope there is not.

Foster Care Funding

Ms. Avis Gray (Ellice): I assume then from that answer there are no contingency plans in place. But my final supplementary is for the Minister of Finance (Mr. Manness). This Government is willing to spend triple and quadruple the amounts of money rather than giving a proposed increase for the basic maintenance rate to the foster parents. The alternate care that will be necessary if a moratorium is in place will be triple and quadruple the rates. Could the Minister of Finance enlighten us as to how this achieves responsible fiscal management?

Hon. Clayton Manness (Minister of Finance): This Government is not planning to increase spending at the rate of fourfold or threefold on any matter of Government, Mr. Speaker. The question in my view is certainly out of the realm of reality.

Personal Care Home Construction

Mr. Gulzar Cheema (Kildonan): Mr. Speaker, my question is to the Minister of Health. This Budget has not provided new directions for the health care

spending. I repeat, there is no provision for building new personal care home beds in this Budget.

At present, a Winnipeg hospital has approximately 64 patients waiting for personal care home placement for a period of up to 263 days. That is right up to 263 days and that is not uncommon in other hospitals. It costs about \$216,000 per year for a patient to occupy a chronic bed.

My question is to the Minister of Health. In view of the windfall from Ottawa, why is a simple economic decision to build more personal care homes not taken?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, perchance my honourable friend, the Liberal Health critic, might be aware that the Estimates that are tabled with the Budget do not contain the capital spending program for the Department of Health wherein personal care home bed commitments are made. When they get to Estimates, it has been the tradition of this House that during the Estimates debate on Health the capital Estimates are tabled. Therein my honourable friend might get further information, and at that time he may well be pleased with some of that information.

* (1350)

Psychiatric Bed Availability

Mr. Gulzar Cheema (Kildonan): Mr. Speaker, my supplementary is to the same Minister. When acute beds for psychiatry are dangerously low and it takes hours and hours to simply locate a bed, causing more expense to the taxpayers of Manitoba and more importantly distress to the families and to the professionals, will the Minister tell this House why there is no provision in this Budget to create more community psychiatric beds? A very sensible and economic decision.

Hon. Donald Orchard (Minister of Health): My honourable friend is raising questions about the availability of psychiatric beds. One of the difficulties that we are having right now is the fact that the McEwen Building is closed for renovations, renovations which will improve the quality of life in that institution for the patients that are in it. That is a decision that was not even argued with when it was proposed by the previous administration and carried out by our administration because the environment in the McEwen Building was not up to standards. It currently is closed. It has deprived the psychiatric care system of a number of beds on a temporary basis while it is closed. That has placed stress on Selkirk Mental Health Centre for available beds. That has placed stress throughout the system in the community hospitals. That stress will be relieved when the McEwen Building renovations are completed.

Mr. Cheema: Mr. Speaker, my final supplementary, again to the same Minister. The Minister must be aware of another easy and acceptable way in which we can save the money without sacrificing the patient care; that is to discharge the patient from the hospital as quickly as possible. Why in this Budget is there no

provision for creating community beds to accommodate these patients?

Mr. Orchard: Mr. Speaker, I am afraid I missed part of the honourable member's question. I wonder if he might repeat that.

Mr. Cheema: Mr. Speaker, my question is for the Minister of Health. The Minister must be aware of the easy and acceptable way of saving money, that is to discharge the patient from the hospital as quickly as possible. Why in this Budget is there no provision to create more community beds to accommodate these patients, to save money for Manitobans?

Mr. Orchard: Not that I fully understand the Honourable Member's question. The Honourable Member's conclusion comes from a lack of discussion of the Estimates of Health and wherein spending priorities are made. I would suggest that he not jump to too many conclusions such as he did when he was unaware that the capital program is not part of the Estimates that were tabled and that the capital program is the one wherein, for instance, personal care home bed construction is enunciated.

* (1355)

Manfor Ltd. Divestiture Assets Valuation

Mr. Jerry Storie (Flin Flon): My question is for the Minister of Finance (Mr. Manness).

On August 8, the Minister of Finance made it known publicly by virtue of documents presented with the Budget Address that a decision had been made to write down the value of Manfor to \$1, this despite the fact that significant offers had been made from others interested in the purchase of Manfor's assets, this despite advice given to him to refrain from such activity. Can the Minister of Finance indicate whether he instructed the Tory firm that received an untendered contract to do this work, whether he instructed them to write down the value of Manfor to \$1, or did the Minister ask for outside advice with respect to the valuation of Manfor, or was this his decision?

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I appreciate the question coming from the Honourable Member, the de facto Finance critic of the N.D. Party.

Mr. Speaker, first of all, the Member for Flin Flon (Mr. Storie) has absolutely no business understanding of what is involved—an evaluation allows that—in bringing some entity down to \$1.00. The principals do not do that. Auditors make those decisions. Specific to the question, I did not recommend to the outside audit that they bring down the value of Manfor, the valuation to \$1.00. This was done in conjunction with about 40 recommendations made on 40 different entities of Government. The Minister says I was given advice by somebody. He leaves that area hanging as if somebody out there was wanting to give me different advice. Now maybe he would like to clarify as to who

that other party was, because certainly I did not give advice to the outside auditor. The outside auditor brought in a complete report; I accepted it in a completed form.

Mr. Storie: I will confirm on the record that the Minister or his associates, those involved, were given different advice. Mr. Speaker, a further question to the Minister of Finance (Mr. Manness), in light of the fact that significant offers were put on the table . . .

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please.

Mr. Storie: In view of the offers that had been put on the table by others involved in the negotiation processes, can the Minister of Finance (Mr. Manness) tell me whether his decision, the decision of his Government—and he had a choice—to write down the value of Manfor to \$1 was based on the negotiation process that was going on or an understanding of what impact that would have on negotiations?

Mr. Manness: Mr. Speaker, we have been negotiating with a number of firms. Not once since that decision was made public, the decision by the outside auditor which we accepted to put \$1 valuation on Manfor, not since that point has one of the firms with which we have been negotiating even drawn reference to that fact.

Our ultimate goal remains the same today as it has been all the way along. That is to maximize the employment in The Pas and the district, to optimize the use of the wood resource and, after that, to maximize the outside investment that can be directed towards the Manfor entity as it presently exists and will hopefully continue to exist for many years to come. That has not changed at all, one bit.

* (1400)

Mr. Storie: Given that, on August 9, the Minister of Finance (Mr. Manness) in response to a question from my Leader, indicated that when they left Government, meaning our side, no firm had put firm dollars on the table. That is palpably untrue. Nothing could be further from the truth, absolutely nothing.

Mr. Speaker, my question to the Minister of Finance (Mr. Manness), given that I have a letter from the president of Cascades dated March 16, 1987, in which he says: "Further to our following meetings, I am pleased to confirm that we are prepared to continue with the purchase on the following terms . . .

Mr. Speaker: Order, please; order, please. Does the Honourable Member have a question?

Mr. Storie: Yes, Mr. Speaker, one further sentence.

Mr. Speaker: Would the Honourable Member kindly place his question.

Mr. Storie: "The purchase price would remain as previously offered, namely, a sum of \$145 million."

Will the Minister of Finance (Mr. Manness) now acknowledge that the value of that asset to the people of Manitoba is substantially beyond what the Minister has valued it? Will he acknowledge that he has bungled the negotiations? Will he acknowledge that the value of that asset should not be given away, and that the terms that he is negotiating with, with other companies, are not in the best interests of the taxpayers of Manitoba or in the interests of Manfor over the long term?

Mr. Manness: The Member for Flin Flon (Mr. Storie) does a disservice to the entire negotiation process by, first of all, making the statement that he does and, secondly, making reference to a letter which I have asked department officials whether it existed or not. Either the Member for Flin Flon has the only copy of such a letter that ever did exist or, secondly, he is reading from it, pulling it out of context, the specific reference he has just made.

I would ask him to table the letter because we have not had access to that letter. I have asked all the officials of PICM to provide any reference to any letter such as that that may have existed. I have not seen that document. But I would say, my final comment on the question—and the Free Press editorial said it best and it is the stance that this Government is taking to negotiations. “The Government should look closely at the plans of bidders and see how they expect to make a perpetual money loser into a winner.” That becomes the guideline and the basic criteria that is involved in the sale of Manfor.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please; order, please.

The Honourable Member for Flin Flon (Mr. Storie) on a point of order.

Mr. Storie: I am reluctant to table this letter. Mr. Speaker, I indicated to the Minister of Finance (Mr. Manness) and others have indicated to him that this offer has been made and was made. He should be aware of it. The fact of the matter is that they chose for political reasons to devalue the assets of Manfor for \$1.00. They have on the table an offer amounting to \$145 million. I am prepared to table this letter, which indicates that the Minister of Finance has blown his negotiating position. He should be replaced as negotiator for the province.

Mr. Speaker: The Honourable Member does not have a point of order.

University Development Fund

Mrs. Iva Yeo (Sturgeon Creek): My question is for the Minister of Education (Mr. Derkach).

In mid-1987, the then-Government announced a Universities Development Fund which they claimed was established to demonstrate the Government's commitment to meeting the needs of our province's universities, and to contribute capital funding over a five-year period. At the same time, the intent was to

support private fund-raising efforts of the universities and to provide funds on a matching gift basis.

Can the Minister of Education (Mr. Derkach) tell the House if the current Government is committed to continuing the Universities Development Fund, utilizing the same criteria as their predecessors?

Hon. Leonard Derkach (Minister of Education): The Universities Development Fund is certainly an important one and has given the universities an opportunity to participate in raising funds for specialized projects such as the upgrading of facilities and equipment within a university. In addition, I am happy to say that we were able to tap into that fund to be able to support the School of Dentistry in achieving or retaining its accreditation.

We intend to continue with that development fund. Certainly as time goes on, there may be some changes in criteria but, nevertheless, the intent of the fund is there and will be continued.

Mrs. Yeo: To the same Minister, I gather then that the \$3 million pledged to the Faculty of Dentistry comes from the University Development Fund to restore credible standards, but what about other faculties in need? What will the Government do for other faculties that are in need of upgrading?

Mr. Derkach: The fund is still in place. As a matter of fact, the announcement that was made with regard to the School of Dentistry did identify the area where the funds were going to come from, and certainly the \$3 million was not being taken out of the development fund in total. Nevertheless, the fund is there to be utilized for not only the one area. It is there to be utilized for the three universities and will continue to be utilized in that fashion.

Mrs. Yeo: Does the \$20 million allocated to the five-year University Development Fund preclude further contributions by the Government to address the urgent needs of Manitoba's major institutions of higher learning?

Mr. Derkach: Since this Government took office, we have realized that our universities certainly do have some needs with regards to facilities, upgrading of buildings, etc. All of this now has to be taken into account and prioritized. Certainly, when funds are required by the university on an emergency basis, then we have to address those issues, but we are committed to ensuring that students out of Manitoba do have facilities in this province that will provide them with the kind of educational opportunities that are required and are so badly needed.

* (1410)

Business Development Centre Dauphin, Man.

Mr. John Plohman (Dauphin): I have a question for the Minister of Industry, Trade and Tourism (Mr. Ernst).

In the Throne Speech a couple of weeks ago, the Government said that programs would be put in place to encourage individual initiative and economic development throughout this province. In this regard, I would ask the Minister to tell this House what plans he has, his department has, for the Business Development Centre in Dauphin that has been serving the businesses and potential businesses of the Parkland area of this province for a number of years?

Hon. Jim Ernst (Minister of Industry, Trade and Tourism): During the consolidation of the Department of Business Development and Tourism with that of Industry, Trade and Technology, the question of rural economic development became very significant. As a matter of fact, the Treasury Board and Cabinet has agreed to put together a Rural Economic Development Committee of Cabinet. They will have those Ministers responsible for a variety of areas contained on that committee. In addition to that, there will be a permanent secretariat within the department attached to that for liaison with each of the rural development corporations throughout the province.

The question of maintaining an office in Dauphin became redundant when each officer within the department now will be attached directly to a Rural Development Economic Board, so that instead of now having one officer serving the Parkland region, we will have one officer serving each region in the entire province.

Mr. Plohman: What the Member is saying is that the Business Development Centre in Dauphin will be closed. I would remind this Minister that, in the Throne Speech, this Government stated that it is important, it is crucial, and I quote: “. . . to reach out and listen to Manitobans.” Could this Minister tell this House what consultation he undertook with businesses in the Dauphin and Parkland area, with the Chambers of Commerce in that area and others in the Parkland area before taking this ill-conceived decision?

Mr. Ernst: Mr. Speaker, the question of support for rural economic development in this province has been heightened under this Government, has been heightened under this initiative. We have a Rural Economic Development Committee of Cabinet that was never there before under a previous Government. We have a secretariat with a permanent assigned officer to every region in this province, not just the one. Quite frankly, under this initiative, we will have better service to the people of the Parkland region than existed prior to the change.

Mr. Plohman: Mr. Speaker, I would ask the Minister what advice the people of the Parkland region gave this Minister when he told them he was going to close this Business Development Centre to save \$13,000 in operating costs plus the salary of that individual who has offered those services. What advice did he get, and I would also like to ask what response did he get from the Tourism Industry Association, Parkland Region, whose office will be closed as well and they will be kicked out of their office because they share an office with the Business Development Centre? Was he aware

that was the case, and what financial assistance will he offer the Tourism Association for the Parkland region as a result of this decision?

Mr. Ernst: Mr. Speaker, I have met with the Parkland Regional Economic Development Board up there. I have met with their executive director, as a matter of fact, within the last two or three weeks. There are some significant problems associated with the operation of that board in terms of its jurisdiction, of the diversity of community and so on. Some additional work is required. Perhaps even some restructuring of the board is required in order to better facilitate regional economic development in the Parkland region.

We are going to do that and in fact we are going to have a full-time officer assigned to that operation, not a part-time officer quite frankly in the Dauphin office but a full-time regional development officer who will work exclusively with the Parkland region under this scenario.

Mr. Speaker: The Honourable Member for Dauphin (Mr. Plohman), with a final supplementary.

Mr. Plohman: Mr. Speaker, we are not talking about the Parkland Regional Development Corporation. We are talking about the Business Development Centre that he is closing, who shares an office with the Tourism Industry Association in the Dauphin area. I ask the Member what financial assistance he is going to provide to the Tourism Association to avoid them having to close that office as a result of this ill-conceived and callous decision.

Mr. Ernst: Mr. Speaker, I reject the premise that the idea is ill conceived. I reject the premise that the area will not be as well served. As a matter of fact, the Brandon office in western Manitoba is going to be beefed up in terms of its business development activities. The question of the tourism office contained within that space in Dauphin, I have under consideration at the moment and will be dealing with that matter in due course.

Premiers' Conference Free Trade Agreement

Mr. John Angus (St. Norbert): Mr. Speaker, given that not having any other reports or any other information from the First Ministers' Conference than that I have read in the paper or heard through the media, I would like to direct a number of questions to the First Minister (Mr. Filmon) but I will narrow it down to specific questions.

Would the First Minister acknowledge that the conference expressed concern about the implementation implementing the Free Trade Agreement, and that they wanted Ottawa to prepare programs and put money on the table to help specifically Manitoba firms adjust to the agreement? Would the First Minister acknowledge and comment on that?

Hon. Gary Filmon (Premier): I can tell the Member for St. Norbert (Mr. Angus) specifically what the First

Ministers agreed to and give him the full context of the communique that was issued. It goes as follows: "The federal Government indicated during the free trade negotiating process its commitment to support adjustment measures. In light of the Free Trade Agreement, Premiers again stressed the need for objective and timely adjustment programs to be announced by the federal Government and by the Advisory Council on Adjustment, chaired by Mr. de Grandpre."

Mr. Angus: I am pleased to receive a copy of the communication and I am pleased the Premier (Mr. Filmon) has indicated he would be open to give me that information.

Premiers' Conference Interprovincial Trade Barriers

Mr. John Angus (St. Norbert): My supplementary question then, Mr. Speaker, is that a majority of the First Ministers at the conference supported the Mulroney Free Trade Agreement and yet they seemed to have put the cart before the horse in that at the conference they did nothing to solve interprovincial trade barriers, a persistent obstacle to Manitobans and other provinces.

I ask the First Minister: what is he now prepared to do to promote east-west national trade with the same vigour that he and some of his conference colleagues have in promoting the Mulroney-Reagan Free Trade Agreement?

Hon. Gary Filmon (Premier): I would say, firstly, that the premise the Member for St. Norbert (Mr. Angus) has put before his question is not correct. In fact, the Ministers agreed to continue to work towards the removal of interprovincial trade barriers. They, in fact, identified specific irritants between and among the various provinces. They identified specific areas in which the interprovincial trade barriers do not work in the favour of developing more efficient, more effective and more competitive industry and production in this country, and they agreed to continue to work towards the systematic removal of those trade barriers. They did so with the assurance that they would get onto the specifics, and they have committed a meeting for September—I believe it is the 18th or the 19th of September—at which provincial Trade Ministers will be getting together to address the specific irritants and the specific barriers to interprovincial trade amongst our provinces.

Mr. Angus: I would like to know from the First Minister (Mr. Filmon) how he intends to solve the Free Trade Agreement implementation problems when they cannot even sort out between Canadians the problems of interprovincial trade.

Mr. Filmon: The Member for St. Norbert (Mr. Angus) continues to flog the suggestion that free trade is not good for this country. Every empirical study that has ever been done by objective people, by the former New Democratic Government of this province that was

opposed to free trade for its own political and ideological reasons, despite that, their study said that Manitoba would benefit to the tune of between 10,000 and 15,000 additional jobs.

* (1420)

We need employment in Manitoba. We need economic improvement in Manitoba. We need investment in Manitoba. Free trade provides all that; plus it provides reduced costs, several hundred dollars a year of reduced costs for every family in this province of ours, and we think that is good for people and we support free trade. It is unfortunate that the Member for St. Norbert does not understand it and refuses to see the benefits of free trade.

Workers Compensation Board Appeals

Mr. Steve Ashton (Thompson): Mr. Speaker, my question is to the Minister of Labour (Mr. Connery).

Over the last several months there has been particular concern in Manitoba amongst injured workers about the direction this Government is going to be taking with Workers Compensation. That concern has been heightened by the recent announcement that workers will have their right of appeal limited, and the Minister is going to be delaying action on the King Task Force Report for at least another Session. My question to the Minister is based on the decision to limit the right of appeal of workers.

I would like to ask the Minister what information that was based on; in particular, how many cases there are before the board and how many cases are actually appealed to the board level; and, in particular, how many cases involve an appeal where there has been a previous hearing at the board level in Manitoba?

Hon. Edward Connery (Minister of Labour): The exact numbers I can obtain for the Member.

We have had requests for appeals going back to claims that were filed in 1948. We have said that there is no justification in having new appeals if there has not been new information or an error in law. This is common in most jurisdictions. So what we are saying is that, yes, if there is new information to be brought forth or an error was made in law, then a new appeal can be put forth.

Our concerns are for the injured workers of Manitoba. The injured workers in Manitoba have not been served well under the previous administration. They have been waiting over a year at times to have their appeals heard. As you know, Mr. Speaker, we have appointed additional people to the board so that we can facilitate these appeals so that people can get on with their lives. That is foremost in our minds.

Mr. Speaker: The Honourable Member for Thompson, time for one final question.

Mr. Ashton: Mr. Speaker, I am surprised that the Minister does not know that out of the 54,000 cases

in Manitoba last year, only 250 were appealed at the board level, that only one in four involved in appeal were to have been previously held at the board.

So why is he trying to limit the appeal of workers, and why, if he is so concerned about delays in acting, is he not acting on the King Task Force Report in this Session? Why is he not also bringing in other amendments to Workers Compensation that do not require legislative action such as, for example, establishing satellite centres, something that this Party committed itself to in the election?

Mr. Connery: As everyone here well knows, there is an implementation team that is in effect working to rewrite the legislation and to rewrite the Workers Compensation Board. If they are critical of that implementation team, they were the ones who put those members forward.

Mr. Speaker, I am pleased that Government did something well and it is a body of people that are working well to bring Workers Compensation back into the realm of reality. The workers of Manitoba will be well served by that team and the legislation that will be put forth will be in the best interests of the injured workers.

Mr. Speaker: The time for oral questions has expired.

* (1430)

ORDERS OF THE DAY BUDGET DEBATE

Mr. Speaker: On the proposed motion of the Honourable Minister of Finance (Mr. Manness), standing in the name of the Honourable Member for Fort Rouge (Mr. Carr), the Honourable Member for Fort Rouge.

Mr. James Carr (Fort Rouge): Thank you very much, Mr. Speaker. It is my pleasure to participate in one of the most important debates for any Member of this House. I also appreciate the opportunity to put a number of things on the record.

The first, I think, is some reference to the Premiers Conference that our First Minister (Mr. Filmon) just arrived back from last Friday and questions related to Senate reform that were asked during the Question Period by the Leader of the Opposition (Mrs. Carstairs).

The First Minister (Mr. Filmon) likes to talk about our ability as an Opposition Party to persuade the First Minister of Ontario and the First Minister of Quebec about the virtues of Senate reform. As everyone in the House is more than well aware, within the Meech Lake Accord, a provision exists that requires unanimous consent of all of the Premiers, plus the Parliament of Canada, before there is any movement at all to change the Canadian Constitution. We have asked the First Minister, time and time again, why he thinks it would be easier to persuade 10 colleagues than it would to persuade seven colleagues and we have not yet gotten an answer.

(Mr. Deputy Speaker, Mark Minenko, in the Chair.)

But we also have to flip the coin around and look at the other question. What happens if there is no ratification to the Meech Lake Accord? As the Honourable Minister of Health (Mr. Orchard) has told us in this House, 78 percent of the people of Manitoba did not vote for the former Government, and it was the Premier of the former Government who signed the Meech Lake Accord. It was not signed by the current First Minister. It certainly was not signed by the Leader of the Opposition (Mrs. Carstairs). As far as I know, it was not signed by the Leader of the New Democratic Party (Mr. Doer). So what kind of negotiation is this, Mr. Deputy Speaker?

We, on this side of the House, have consistently put forward our position on the necessity of a Triple E Senate for Canada. We think it should be a part of the negotiation to knit, as the First Minister says, the constitutional family together.

Now the second issue was the one of interprovincial trade. We know that there was no progress made on this subject at the Premiers Conference in Saskatoon and we are very disappointed. I can remember very well watching some television footage only a few years ago when construction workers in the City of Montreal were taking out cobblestones one by one and replacing them with other cobblestones one by one. Why? Because the first ones were made in the Province of Ontario. They wanted to change the cobblestones because they did not like where the cobblestones were made. They were not made in the United States, they were not made in Japan, they were not made in Korea. They were made in Ontario. So we on this side of the House say, at the same time that we are talking about multilateral trade, at the same time that we are talking about a bilateral Trade Agreement with the United States, we should be getting our own House in order as Canadians.

We were very disappointed that the First Minister (Mr. Filmon) came back with nothing. You know why he came back with nothing? He came back with nothing because unanimity is very, very difficult in this country. We are a nation of great diversity, to have 10 Premiers in the same room, to all agree on the same subject at the same time is, and if I may quote the Premier of Quebec, "very rare in Canadian politics." And so it should be, but not so rare that we cannot change the basic and fundamental law that unites us together as Canadians.

I would also like to talk a little bit about open Government. We heard in the Throne Speech how important the concept of open Government was for the Members opposite. If we look into the record and look at the quality of ministerial answers to some of our questions from Opposition Members, we wonder about open Government. For example, I asked a very simple and straightforward question to the Deputy Premier (Mr. Cummings) on the Manitoba Public Insurance Corporation, and what do I read in the paper the next day, that I was smearing innuendo and fear mongering for asking a simple question. Well, we were elected to ask simple questions and they were elected to provide complete, open and honest answers, and we are not getting them from this Government.

Now on the same question of openness in Government, and if I may, just for a moment talk about an issue close to home in my constituency and close to all Members who either drive their car or look around the lot of the Legislative Building. The Minister of Government Services issued a press release telling the people of the Assiniboine, Broadway and area that their street was going to be closed. There was no consultation with these residents. The Minister did not say that would mean two minutes more of response time from emergency vehicles—I am talking about ambulances, I am talking about the treatment of people who are in need. He did not talk to the people who live in that area about street life which has moved from a park into their front yards, into the apartment blocks where they live. Then —(Interjection)— that is the issue. The Member for Arthur (Mr. Downey) wants me to talk about homosexuality and he wants me to talk about prostitution—I will. We should talk about those problems too in this House.

Mr. Deputy Speaker: The Honourable Minister of Northern and Native Affairs.

Hon. James Downey (Minister of Northern Affairs): Mr. Deputy Speaker, on a point of order.

I would ask that the Honourable Member would not use my name. I made no reference to speaking about anything. I am sitting here listening to his speech.

Mr. Carr: I must say that I am flattered that the Minister is here in the House now listening to these remarks. I would never dare impute any motive to him—he is a good man.

Now what I am saying is that there was no consultation, and the Government, and the style of Government, was far from open. It was closed just like the street. We think that is bad for the constituents and it is bad for the people living downtown.

I must say I have been rather surprised and disappointed in the decorum of the House. Many of us on this side, 19 out of 20 as a matter of fact, are new to this Chamber, and we came with expectations of intelligent and reasonable debates on matters at stake, and what do we find? We find that the No. 1 heckler from his seat in this House is the First Minister (Mr. Filmon) himself, and the No. 2, the lieutenant heckler, is the Member for Concordia (Mr. Doer), the Leader of the New Democratic Party. From their seat, they chirp back and forth at each other sometimes so loudly that we cannot hear the real debates within the House. This is disappointing to us because we came into office with a promise to return some decorum to the House. Particularly, may I say that the response to this kind of bickering has met in our side of the House with restraint, and particularly to the Leader of the Opposition (Mrs. Carstairs) who has cause enough to be chirping back at some of these gentlemen.

* (1440)

I would like to address the Budget, because after all it is one of the most important instruments we have to lay out our views on public policy. When I read

through this Budget and let it absorb a little while, I was reminded of a very famous quote that is attributed to Samuel Johnson. Now a person handed Samuel Johnson a manuscript and said, "Would you please read this?" Dr. Johnson, after having read it, returned it to the person and said, "Your manuscript is both original and good. Unfortunately, the original part is not good and the good part is not original."

I could not resist because there seemed to be so much in that quotation that was appropriate to this Budget.

Let me first acknowledge the hard work of the Minister of Finance and his officials. It is obvious to all of us, even those who have been in this House for a number of weeks, that the issues facing Manitoba are very complex, and while there may be an impulse to give the easy answer—and in many ways this Budget does give the easy answer—we have to acknowledge that the preparation of Budget materials is complicated, it is difficult and time consuming, and I know that we on this side of the House look forward to our opportunity to look into that exercise ourselves.

Immediately following my Leader's response to the Budget, the Minister of Government Services (Herold Driedger) rose to his feet and he spent quite a lot of time wondering whether or not the Leader of the Opposition had taken ill. Was she okay? He did not want to be too tough with her. He wanted to be tender, so he was asking if she was feeling okay. Why? Because he did not ask the first two questions in Question Period that day, and she had only discussed the Budget for 20 or 22 minutes.

Well, first of all, we have depth on this side of the House. More than one of our numbers is prepared to ask questions on the Budget and there was nothing inappropriate about our Finance critic taking the first two cracks at the Minister of Finance (Clayton Manness).

Secondly, the Leader of this Opposition Party can say more in 27 minutes than this First Minister can say in a day and half. And why, if there is this compulsion, this sense that we should be able to talk for hours and hours because we love the sound of our own voice, is beyond me. We are here to deal with substance. We are here to deal with issues, and if you take away all the periphery and all the side language and you look at the response that this Leader of the Opposition to that Budget, you will see clarity, you will see vision and you will see principle, and I wish we could say the same thing on the other side of the House.

A couple of general comments on this Budget—not to be too cynical, but the world seems to be topsy-turvy. Here we have a Conservative Government that spends more money than the NDP and here we have a Leader of the New Democratic Party who says, "Let's give them some money back. Let's take some of that tax-grab and give it back to the people of Manitoba." Well, it is very confusing for some of us who come here with a sense of purpose and a desire to do the right thing and to play as it as honestly as we can, that when we see this kind of topsy-turvy in political terms in this House, it is upsetting.

Now, let us look at the revenue side. This Government was very fortunate to receive giant revenue windfalls.

The mining tax, the transfer payments from Ottawa, income tax increases gave this Government an historic opportunity. Did they redistribute any of the income, Mr. Deputy Speaker? No. Middle income earners are as squeezed today as they were in 1987 and as they were in 1988. There was no change to the tax structure, and I just thought, and may I say parenthetically that Hansard is a wonderful thing, read back to Members some things that were said about the current taxation structure. Why don't we start with the First Minister (Mr. Filmon) who was then Leader of the Opposition? This is directly in response to the Budget of March 1987 that created the same distribution of income that this Government is sustaining in this Budget.

I quote: "The NDP Government has brought in a Budget with the largest overall tax increase in the history of our province, and four out of five of every Manitoban who pays taxes in our province will pay more taxes as a result of this Budget." That has not changed.

The Leader of the Opposition at that time went on to say, "Indeed, hundreds of thousands of Manitoba taxpayers will be subjected to the greatest collective mugging that has ever taken place in our province. In fact, the total overall increase in taxation this year in this Budget, \$368 million, or a 19.5 percent increase in taxation, has probably never happened in our province, in any province in our country in peacetime. It is outrageous and I predict that it will be the death knell of this New Democratic administration."

Hansard and history reunite at this moment, Mr. Deputy Speaker, and I see the Member for Lakeside (Mr. Enns) agrees with me. It was the death knell, and it was the death knell because the people of Manitoba said, no, this was too much!

Again from the Leader of the Opposition at the time, and this was only last February—this was only six months ago on the same tax structure kept in place by this Government. He said and I quote: "So they pretend that there are no tax increases. They have just been built in from that obscene tax grab last year. Last year, it was a tax grab; this year, it is a tax fall. You see, they have already made the grab. Now they just pull in the net and, Glory be, there is \$185 million more. Oh! Are we not good managers? Every Manitoba taxpayer will be poorer as a result."

And here is the coup de grace: "The Bandits of Broadway have struck again, Madam Speaker; only this time they did not tell anyone." Well, the Bandits of Broadway have struck again only six months later and they have not told anyone.

They had an option but they did not take it. The option was they had almost \$200 million of new revenue and they did not give one cent back to the taxpayers of Manitoba. So what have they said? They said the tax grab of 1987 is fine, we agree, we are not touching that; and in 1988, in February, only six months ago, when the NDP Government refused to touch the tax structure and they criticized it the way they did here, they are saying that is fine, let us let it go. Seventy-eight percent of the people of Manitoba voted against this Government and now this Government, taking its seat on the opposite side, does not change the tax structure by a nickel.

Reducing the deficit is important and we congratulate the Government for taking a first step in that direction. We have said so at the time, and we say so again, that reducing the deficit has to be a priority, but they should have moved on both fronts simultaneously. This economy needs stimulation and you can stimulate the economy by putting money back into—may I quote the Member for Arthur (Mr. Downey)?—"into the pockets of the average person." He said that but they did not do it. In spite of the fact that they had a windfall from federal taxes, that they had the mining revenues that were up—what was it, \$70 million more than they were expecting? Eighty million dollars. I am corrected by the Finance critic.

Let us look at the expenditure side. We have already established—and let them say I am wrong when the Minister of Finance (Mr. Manness) speaks later in the day; let him tell me I am wrong—but I see that there has been no change in the distribution of wealth and income through this Budget. So if I am wrong, you will tell me. Let us look at the expenditure side. This Government is spending more than the defeated NDP Budget, and the Member for Arthur (Mr. Downey) is nodding his head, so he agrees with me. I am surprised at how much I agree with him, actually.

So they have spent, they say, in their own figures, 6.7 percent more than the defeated Budget and they claim in their own statements within the Budget document that inflation is 4 percent.

When in Opposition they ranted and they raved and they railed away at spending twice the rate of inflation and when they have a chance, what do they do? It is not quite twice, depending on whose figures you look at, but it is almost twice the rate of inflation

An Honourable Member: Same as the NDP.

Mr. Carr: Same as the NDP. So the revenues, the distribution of the taxation system is the same, the expenditures are a little more, but the Tories say that they are efficient and that the NDP cannot manage a peanut stand. This was said by the Premier on more than one occasion. What did they say when they were in Opposition?

* (1450)

I just happen to have a quote here. This comes from the Premier, when he was Leader of the Opposition, on the 29th of February, 1988, so this is only six months ago: "When New Democrats ask, what would you do differently, well, I'll give them another suggestion, Mr. Deputy Speaker. We would do a complete program audit of every department, area by area, function by function, job by job, program by program. If this Finance Minister can find 50 jobs that are wasteful or duplicated and \$3 million that can be cut out of the Budget without affecting services, just imagine what a real Conservative Finance Minister could do and a real Conservative Government could do. How much more money could be saved for the taxpayer if you really had somebody who believed and understood Conservative economics."

I guess we are still waiting for somebody who understands real Conservative economics because they

are spending more, not less. I think that the Member for Lakeside (Mr. Enns) should be on the Treasury Bench because he knows about these things and he could give members of the Treasury Bench a lecture or two.

I am not quite finished because it is only appropriate that we refer back to some quotes of the current Minister of Finance (Mr. Manness) when he was finance critic on this side of the House. On the same subject—this is the subject of streamlining Government, and this was when he was debating the defeated Budget of only six months ago, the Budget so much like the one we are debating today—this is what the current Minister of Finance had to say:

"I honestly believe there is greater efficiency in Government that could be brought to bear. I honestly believe that there is potential for the private sector to have a greater role in providing services to the people. I honestly believe that through that there is a greater opportunity for the Government if they so wish to provide Manitobans relief in taxation and at the same time maintaining services." It did not happen, Mr. Deputy Speaker.

One last quote—I beg the indulgence of the House. This is again from the current Minister of Finance: "Provincially," he said back on the 1st of March, 1988, "I support a program-by-program review. Now I honestly believe that our party can give it clear focus. We can bring greater objectivity to that type of review and consequently can find more efficiency within Government than the NDP could ever do. I also believe that there are massive bureaucracies in our major social fields that must be closely scrutinized." He said that.

An Honourable Member: Did he say that?

Mr. Angus: I have not seen any corrections in Hansard.

He went on to say: "I am talking about the bureaucracies. In my mind, there is great potential to bring greater efficiencies within Government." We did not find any; as a matter of fact, quite the contrary.

Now let me take a few minutes to talk about some departments and particularly how they are treated in the Estimates and the Budget—firstly Agriculture.

I am a city person and never spent any part of my life living in rural Manitoba, but my father always used to tell me, when I was a little boy, that what was good for the farmer was good for me. I took that to heart and I believed him then and I believe it now. I believe it now because it is the heart and the soul of Manitoba. I look at what is facing the farm economy today and my good friend, my colleague, the Member for Fort Garry (Mr. Laurie Evans), is sometimes driven crazy by my incessant questions about agriculture because I am the first to admit that I am not an expert, but I am anxious to learn because you cannot understand Manitoba until you understand the farm economy. We know that.

I see that we are in the midst of one of the worst droughts in 50 years. I see that there is an international subsidy war. I see that there is rural depopulation, and the Government House Leader (Mr. McCrae) made

reference to that in his speech. More and more people are moving out of small towns, moving off the farm, coming into Winnipeg, into Brandon, into Selkirk and that we are losing our rural root.

I also know what the potential economic spinoff effects are of rural depopulation. It is only common sense to make the observation that, if the farmer is not on his or her land producing and getting paid for what he or she is producing, they are not buying tractors. They are probably not going into town to have a meal at a restaurant. They are probably not buying new furniture and the whole rural economy suffers. More than all of that, more than the dollars and cents involved, we also have a way of life which is at stake, a way of life that goes back to our very roots as a province which are threatened today.

So when we see \$18.3 million, a quarter of which comes from the federal Government to provide drought relief to Manitoba farmers, we ask why. That is \$500 a farm. Where is the long-term plan? Never mind short-term solutions which are important because we have got to get by today and next week, but there is no increase in the grant to the University of Manitoba for agricultural research, an area where you can move forward and look ahead and try to create an environment, new ideas and innovative solutions to problems in the long term.

What we need is more research and development. We need a plan. We need a context. There is no vision from a Government which ought to have one because, correct me if I am wrong, almost half of the Treasury Bench comes from the farm communities and earn their living as farmers.

How about education? Nowhere is our future as a province more embedded than in how we educate our children and our young people. This Government was on the record. It was an election promise and, if I am wrong, the Minister of Finance (Mr. Manness) later on today can tell me I am wrong, that spending on education would be at least equal to inflation. The Minister's figures in the Budget document show inflation at 4 percent and spending on education at 3.3 percent. A very simple calculation shows that education is falling behind in spite of the fact that this Government promised that would not happen.

I was interested in the Minister of Education's (Mr. Derkach) answers today to questions by my colleague from Sturgeon Creek (Mrs. Yeo) on universities. Universities in this province have been in a crisis situation for years. There is not enough money to patch a leaky roof, to upgrade facilities, to replace obsolete laboratory and scientific equipment.

We do not think Government has all of the answers to these problems. We think that Government has to become a partner with the private sector to make sure that development initiatives in the higher education sector are a partnership between the public and the private sectors. So I was glad to hear that the University Development Fund, which was initiated by my honourable friend, the Member for Flin Flon (Mr. Storie), is in place because it is important. We have to be able to create a university environment which attracts the

best and the brightest in Manitoba and keeps them here.

The other consequence of 3.3 percent funding to universities is that tuition fees will inevitably rise. But has the Government said, we know that tuition fees will rise; therefore, we are making more money available to Student Aid? Did they say that? No, they said less money will be available to Student Aid.

An Honourable Member: Did they do that?

Mr. Carr: They did that. So not keeping pace with inflation, not accounting for the inevitable increases in tuition and not giving a chance, particularly to rural students, to be able to come to university.

Now I would like to make a few comments on the Department of Culture. I am pleased to see that the Minister is listening. Mr. Deputy Speaker, I have no words to express how incredible we on this side of the House think it is for this Government, in the midst of a review of lottery monies in Manitoba, to take \$1 million out of the appropriation for libraries and fund the library system in this province from lottery monies. Now the Minister is shaking her head. I would be pleased to get an answer to that question. We will be sure to ask it in the House.

(The Acting Speaker, Harold Gilleshammer, in the Chair.)

In the Estimates, it shows more than \$1 million less to the Public Library Service than in the defeated Budget. That can only mean one of two things. Either they have dropped funding for libraries by \$1 million or they have transferred funding of libraries out of appropriation to Lotteries. It can only be one or the other. I have no question that, if I am wrong, the Minister of Finance (Mr. Manness) will correct me.

* (1500)

But it begs the more general question of the use of lottery revenues. This is one of the largest-growing industries in the Province of Manitoba, over \$50 million in profit from the gambling habits of Manitobans this year. We all know, and we can thank the former Government for what at the time was a reasonable policy, lottery funds should be spent on capital construction or they should be spent on one-time projects because we do not want the Royal Winnipeg Ballet, the Manitoba Sports Federation, the Winnipeg Symphony Orchestra, to have to depend for its yearly operating grant on the gambling habits of Manitobans.

Are we saving any lottery dollars? Has the Minister considered establishing an endowment fund so, when we wake up one day 10 or 15 or 20 years from now and people are not gambling the way they use to in the Province of Manitoba, we can say we were smart. We saved for a rainy day and, by golly, it is pouring but there is money here. There is money that we have invested and saved.

We have built arenas; we have built concert halls not in Winnipeg but in rural Manitoba where the infrastructure for sport and for culture is not nearly as

well advanced as it is in the City of Winnipeg. The Minister agrees. She is agreeing with me. So I ask her and Members of this side of the House ask her to go back and to review what she is doing with those lottery monies. If she is not spending \$1 million out of lottery monies on libraries, then she is just taking it right out of the Budget which is most serious.

I see my time is moving on. I was going to spend some time on health care but my colleague, the Member for Kildonan (Mr. Cheema), made such an excellent speech that I commend the Minister of Health (Mr. Orchard) to read it. It was thorough. I hear some chirping across the way every now and again about a substantive response to this Budget. You read the remarks of the Honourable Member for Kildonan and you will find substance. Line by line, let me just review one of the major findings of his thorough analysis.—(Interjection)—I am sure the Member for Arthur (Mr. Downey) knows and, if he does not, he will know in a minute that executive support to the Minister and the Deputy Minister is up 19.6 percent—this is from the Estimates Book—from \$426,000 to \$507,000.00. If I am wrong, the Minister of Finance (Mr. Manness) will correct me.

Meanwhile, within the health care budget, a 3 percent increase to maternal and child health, inadequate funding for speech therapy, and the Minister of Health (Mr. Orchard) admitted that in this House in response to a question from my honourable friend; the Health Task Force, \$500,000, which in large measure duplicates the services already offered through standing committees of the Manitoba Health Services Commission—\$500,000.00.

So for a Government that promises streamlining and efficiency and a Government which is going to take the bloated apple polishers and toss them away, in the Health Department anyway, we have a higher rate of increase to executive support for the Minister (Mr. Orchard) and the Deputy than we do programs and services to people. That is a mistake.

Now how about seniors, our seniors population, very important, particularly to me because I think in the whole of Canada I have one of the highest proportions of seniors? It is very important to them that Government takes a leadership role and provides some vision to the needs of seniors. Two hundred thousand dollars for a Seniors' Directorate, but we do not know what it is going to do. Is it staffed? It does not say so. At the same time that this Government is spending \$200,000 on an undefined Seniors' Directorate, \$130,000 less for the Hearing Conservation Program.

What about housing initiatives? What have they done with our idea on a Pharmacard? I would ask my honourable friend, no maybe I had better not. What happened to the seniors' transport, an issue that was very, very important to seniors in this community? Conservative candidates during the election promised one year of funding and they did not get it.

We wanted this Government to be innovative. We wanted this Government to show us new directions and a new path. How about in some policy areas? How about the City of Winnipeg? The only thing we have heard about the City of Winnipeg is that there is going

to be some attempt to reduce the size of council. Do we know about economic development initiatives? Do we know about North Main? Do we know about South Portage? Do we know about establishing Winnipeg as a major centre in the West?

One of the major disappointments for us was how silent this Budget was on major policy areas such as pay equity and affirmative action. About a week ago, we asked the Minister of Culture (Mrs. Mitchelson) how many appointments to boards and commissions came from the visible minority community. We are still waiting. We are patient people on this side of the House. We do not -(Interjection)- The Member for Lakeside (Mr. Enns) implies that Liberals are a visible minority. If he is referring to my red tie, I take that as a compliment.

What is the role of Government? If we take away all of the rhetoric about this Budget and if we can—and it is very difficult in this building to rise above the fray of the moment to look at the role of Government—we could probably agree on a few things. The first thing we could agree is that it is the role of Government to equalize opportunity. Does this Budget equalize opportunity? No. It is the responsibility of Government to redistribute income. Does this Budget redistribute income? No. It is the responsibility of Government to share with those who need it most. Does this Budget share with those who need it most?

Some Honourable Members: No.

Mr. Carr: It is the responsibility of Government to forge partnerships with the private sector. Does this Government forge an important partnership with the private sector?

Some Honourable Members: No.

Mr. Carr: Now we are very fortunate in Manitoba because we have a strong economy. One of the reasons we have a strong economy is because it is diversified. Unlike our neighbours to the West, we are not dependent on one commodity or on one resource. We have a strong manufacturing base, we have agriculture, we have mining. We have a strong urban metropolitan area. I thought it would be useful just to inform Members of the House how that breaks down in terms of the Manitoba labour force.

How much time to I have, Mr. Acting Speaker? -(Interjection)- Seven minutes.

This is 1988 and these figures come from the Government of Canada. We have 41,000 employees in the agricultural sector; 59,000 in manufacturing; 24,000 in construction; 48,000 in transport, communications and utilities; 89,000 in trade; 28,000 in finance and insurance; 165,000 in community, business and personal services; and 40,000 in public administration. This kind of balance between sectors in an economy is very rare. We have a strong economic base upon which to build in Manitoba, but are we getting a vision from this Government? No. Do we know where they plan to go from here? No. Can we count on federal transfers next year the way we got them this year? No. Can we count on the continuing rise of the international price of

metals? I hope so, but I think not. Growth in our province is slowing. Interest rates are on the rise.

Let me conclude, Mr. Acting Speaker, by expressing our deep disappointment that this Government offered no new directions, no innovation, no innovative thinking and no progressive solutions. They have taken the easy road, the path of least resistance. We call it short-term gain for long-term pain and they are the ones who will feel the pain in February or March of next year. The people of Manitoba will not forget. The people of Manitoba deserve better and the Liberal Party in Manitoba led by the Leader of the Opposition (Mrs. Carstairs) will make sure they get better.

Mr. Bill Uruski (Interlake): Mr. Acting Speaker, I am very pleased to participate in the debate during the Budget Debate and to make a few comments about this Budget and to reflect on the crisis that agriculture is going through this year as a result of the severe drought plaguing the entire country basically from west to east, the fringes of British Columbia and of course the Maritimes and parts of Quebec would be excluded. But certainly Ontario and the Prairies have been very hard hit as a result of the drought that we are experiencing this year.

From this Budget, it really is very clear that the Government of the Day, although they represent a large part of rural Manitoba, either is unable to take this matter seriously or is unable to in fact turn the heads of their colleagues in Ottawa to some definitive action dealing with the longer-term problems facing agriculture. I am referring to, in the Budget on agriculture, just one of the items and I will go through some of it.

* (1510)

The items dealing with increases related to capital which deal with the whole question of water and drought-proofing and the like for the Province of Manitoba, there is an increase this year of \$700,000.00. The new Minister (Mr. Findlay) well knows that there is over \$60 million worth of requests sitting on the table of the Water Services Board and have been there over the last couple of years. There is no action and no agreement between the federal Government and the Province of Manitoba and they have been in office almost—well, you are looking at four months now that they have been in office.- (Interjection)- The Minister of Labour says what we could not do in six years they want us to do in four. I believe that these estimates which will reflect spending over the next 12-month period or nine-month period in terms of the fiscal year, do not have provision for a federal-provincial agreement in them. In fact, there is very little for the rural communities and the farm community dealing with the drought situation and drought-proofing for the Province of Manitoba.

Secondly, Mr. Acting Speaker, when we look at these Estimates and we read the words of the Finance Minister (Mr. Manness), the agricultural budget is up more than 50 percent from last year, that is false, totally inaccurate.

(Mr. Deputy Speaker, Mark Minenko, in the Chair.)

I will read the Budget Address of the Honourable Clayton Manness. It says: "Reflecting the serious situation facing our farmers, the agricultural budget is up more than 50 percent from last year." That is what the Budget statement—

An Honourable Member: What does it say in the book?

Mr. Uruski: The book says: "Reflecting the serious situation facing our farmers, the agricultural budget is up more than 50 percent from last year." Where is the 50 percent increase? Those are the words of the Minister of Finance (Mr. Manness). The Minister of Agriculture (Mr. Findlay) is now saying, well look at what you have spent.

Print over print, and unless they want to fudge the figures, print over print it is about 35 percent—right? The bulk of that is in two areas: the drought assistance of \$18 million, of which 4.5 million is going to be paid back to the federal Government which they have cooked the books. So reduce that by 4.5 million, you are down below 30 percent—(Interjection)—Mr. Deputy Speaker, they have cooked the books.

Let me just remind them—and the Member for Arthur (Mr. Downey), the Minister of Northern Affairs, is not here. I will remind him of 1980, when they put in an amount of \$13 million for drought aid and they ballooned the Estimates, and they spent less than \$6 million. Then they said, well look at our Estimates, they ballooned so much. Here we are supporting the farm community with this amount when the actual amount spent was less than half the amount budgeted. The Minister of Agriculture (Mr. Findlay), squirming from his seat, tries to say, well, look at what they spent. If you look at what you have spent and what you had in the Budget, it is more than 50 percent. Talk about cooking the books and playing with figures.

Just a few months ago, the Premier (Mr. Filmon) of this province said that, when we are going to be elected, all we have to do is pick up the phone and Ottawa will listen. I guess Ottawa is leaving the receiver down because they are just not listening. They said they have heard enough from this bunch. They just cannot take them any longer so that, any requests they make, they do not hear. They do not hear it on the CF-18; they do not hear it on the smelter; they do not hear it on sewer and water agreements and agriculture. They do not hear it in a number of areas.

I do not know where this group is going and representing the—and I do not think they do as well. I do not think they really know where they are headed. They represent the bulk of rural Manitoba. I want to say to my colleagues across the way that they were in Riverton over the weekend signing an agreement under the Agri-Food Agreement for the Agri-Food water project for the Washow Bay area. I want to acknowledge with positive remarks, as I did at that meeting, the positive nature of the project and the positive nature in which they are proceeding with the agreement. I did make but a caveat. I want to tell my friend that it will depend on how you continue to fund as to whether that project will proceed and how it will proceed, because I have been around Government for a fair

number of years to the Minister of Natural Resources (Mr. Penner), notwithstanding his provincial road that he talked about that was cancelled and the like and made that comment. I will leave that aside. I will take it with a grain of salt.

Nevertheless, Mr. Deputy Speaker, this Budget, specifically as it relates to agriculture, can only be acknowledged at best as standpat. When you look at the other increases, they are guesstimates, I believe they are guesstimates. They are not positive. If you look at the other major increases at MACC, it has to be for write-offs and, if you are guessing write-offs, you are guessing because the previous Estimates, if the Minister will acknowledge, were for actual write-offs that would be incurred during the year. Now we are guessing.

So we can guess that we will pay out a little more just to make the Estimates look a little better. I hope, Mr. Deputy Speaker, that they do not have to pay out any more. I want to say to my honourable friend that I hope they do not spend this money, that in fact the Debt Review Board—and I am assuming that all new members have been appointed to the Debt Review Board—is functioning and that they are working harmoniously with the federal Debt Review Board and everything is proceeding so that they will be able to use the Emergency Relief program, the program dealing with negotiations and the like, and that it will be utilized.

So clearly farmers will say to themselves, okay, the drought is the worst that we have had probably since the Thirties in Manitoba, certainly worse than 1980. The assistance certainly in dollar terms is not any more than in 1980 and the actual expenditures—maybe in actual expenditures, we will spend more. Even in terms of actual dollars over the last eight years with inflation and the like, we probably will spend more but the situation is far more serious. So the Conservative Government of Manitoba cannot say that we have really assisted the agricultural community, notwithstanding the years of berating that I received from some of their Members across the way while I was Minister, Mr. Deputy Speaker.

The farm community will soon realize, and I am sure they do now, that there is not very much in the Budget for them. In fact, I would ask the Minister of Agriculture (Mr. Findlay)—he may have spoken already, I did not check Hansard—whether or not they are going to assist grain farmers, or whether the only assistance for grain farmers is in fact the Greenfeed Program. If it is the Greenfeed Program, I believe that you will find many in the farm community who are in grain production not being eligible or not being able to participate in this program because of the drought and the hot weather.

So I say to the Minister of Agriculture (Mr. Findlay), take another look at this whole question of aid for the farm sector dealing with grain farmers because they, in fact, have the backbone and have hung in there over these last number of years, notwithstanding the depressed grain prices in the world, and are having a very difficult time. They are the ones who really should be looked at by this Government. If they are not considering looking at the grain community, I believe that the Minister will have to explain why they would

not be eligible for assistance when two areas of assistance are going to the livestock sector. I can understand the two programs, but I venture to say that there will not be the take-off under the Greenfeed Program that is being envisaged. I venture to say that there will not be the take-up under the Greenfeed Program that is being envisaged. I may be wrong, but I venture to say that it may not.

During the election campaign, I want to make one comment—Tory candidates, in fact the Minister of Natural Resources (Mr. Penner), he did not make any comments, but he was at the candidate meeting in Fisher Branch where statements were made about the lack of Government action on assistance for Interlake and Eastman farmers as a result of the 85 year. I am assuming that there are monies to pay that assistance, because that commitment was made by the Tory candidate running in my constituency. It was made at a public meeting when the stand-in for the Tory candidate, the now Minister of Health (Mr. Orchard), came to Arborg and made those statements saying that the former NDP would not acknowledge the plight of the farmers of Interlake and that we would if we were elected provide that assistance. I am assuming somewhere in these Estimates and in this Budget, there is between \$1 million and \$2 million to cover the 85 crop year, the losses that Ottawa would only participate in on a 50-50 basis. Well, while they provided additional assistance to farmers in Alberta who were in fact irrigating under the Special Grains Program.

* (1520)

Will the Minister indicate whether there is assistance for the Eastman and Interlake farmers in this Budget for that 85 loss because of bad weather that they could not qualify under the Special Grains Program? He is not acknowledging, so I—(Interjection)—the discussions are ongoing, he indicates. I am pleased with that. I am pleased that that is going on.

When I sat in Government just a few months ago, there was nothing but total derision from Members of the Conservative Party that there was a lack of action on agriculture and agricultural matters in this province. If anything, it is hold pat and less for the farmers of this province. Farmers of this province in the main, rurally, voted Conservative—in the main—with the exception of several constituencies of Dauphin and Interlake and some of the farmers in the Selkirk area. There are some in that riding. The remaining constituencies voted Conservative. I believe that they will in fact see very quickly that we know that we voted for them but they are certainly not coming through, not on the basis of the statement that they were making in this House a few short months ago.

The Budget for them, even on the school tax assistance, we were berated that we were not providing enough assistance. I do not see a penny increase in the Budget dealing with school tax assistance to farmers. But there will be—(Interjection)—the Deputy Premier (Mr. Cummings) says it depends how it is allocated. He is right, and you know who will in fact suffer? It is those farmers in the Province of Manitoba who can probably afford it least, and it is many of those

farmers who in fact are lessees, are lessees both private—and I am hoping that they at least will cover the Crown land lessee farmers. I do not know if they are. I am hoping that they will do those, but certainly those farmers who are leasing privately will in fact be deprived of assistance under the school tax program in this way. Now, that may cover all of an additional problem that we had of widows and others who did own farm land but could not qualify under this program.

The landlady, as the case may be, usually, as grain prices and the cost of commodities changed, reflected in their lease arrangements. What they are doing now is saying they will get the benefits as well as the changes in the lease arrangements. They will get it both ways. That is what they are doing, so that farmers who are leasing will say well, because they will have no—the room that they will have to negotiate will be to give up the lease. That will be their only ace-in-the-hole for farmers who are leasing.

Well, Mr. Deputy Speaker, that from one discrimination or one alleged discrimination, they have created another in this program. So I will be very interested to ascertain from the Minister of Agriculture (Glen Findlay) whether or not all the lessees under agricultural Crown lands will in fact be beneficiaries of this change in the school tax reduction program.

But, Mr. Deputy Speaker, the agricultural budget is stand pat. There are no new initiatives; in fact, if anything, the agricultural budget will show that the thrust of the department is to go backwards and to become much more inefficient.

I will explain to the Minister of Agriculture (Glen Findlay)—he frowns at me from his chair, and I refer to the Beef Commission. The changes they made in the Beef Commission in terms of marketings, they may as well fold up. They may as well close the doors of the marketing branch of the Beef Commission. I venture to say, and I have not checked with them, but I venture to say, and I make the speculation that the Beef Commission is being by-passed daily, that they are becoming nothing more than the rubber stamp, that the staff salaries in that commission are a total waste of money and that a year down the road you will see this Government saying, “Well, gee, they are really not performing the role. We may as well fold the commission up.” Is that the reason for appointing David Fulton as Chair of the Beef Commission? I mean, he certainly is one of those that was one of the critics of the commission and, of course, central marketing.

What this is doing is causing taxpayers of the Province of Manitoba to subsidize the beef industry even more because, instead of the Beef Commission through its centralized marketing trying to get a better price in some competition of the packing house industry in this Province, they are now no different than any farmer walking through the door of the packing plant and trying to sell their herds because they are being circumvented by the total open policy that the Government has implemented, totally a policy that circumvents orderly marketing and it in fact is costing taxpayers more money because what will happen when farmers cannot get a higher price than they could have received through centralized marketing, we will pick it up through the

subsidies under the deficiency payment of the Beef Commission. That is what will occur.

So we will be paying both ways. We will be paying for a service that is being circumvented by the policy change and, secondly, we will be paying by higher subsidies through all the taxpayers of this Province. A real waste.

The Minister shakes his head in the negative. A year from now, mark my words, if he is still there—I do not know if he will be there that long—you mark my words that they will be phasing out the marketing branch of the Beef Commission. They might as well do it now as far as I am concerned by the changes that they have made because it is wasting taxpayers' money both on the subsidy side and both on the administrative side. They are going to put in the critic, one of the severe critics of the Beef Commission. I hope the commission teaches Mr. Fulton something and he may learn something by his service there and that may be a positive move by him being there. But I want him being there, but I wonder whether or not the commission or the Government will in fact be bringing in a feedlot program.

There is nothing in the Estimates saying there will be a feedlot program. I mean, where is the feedlot program that they berated us for not helping the feedlot industry. Where is it? Is it the national program? Well, if it is the national program, we will want to know—I will want to know—certainly when we are phasing out the whole plan in Manitoba. Is it three months? Is it six months? Because obviously, they campaigned on a feedlot plan for this province. It is not in the Budget. Where is the feedlot plan in terms of the cattle industry in this province? Nothing. There is nothing there for them. I do not hear the Deputy Premier (Mr. Cummings) now saying the feedlot industry is going to be decimated totally even more than it is today. They are keeping mum, silent—silent Sams of the Conservative Party. They are all keeping silent. They are probably saying to the feedlot industry, "Hold it, boys, give us some time, give us some time, give us some time. We need some time in this whole process."

You know, I think the Minister of Agriculture (Mr. Findlay) gave himself away when he spoke at the Ministers' Conference and said we are now—all provinces are all agreed that we are going into tripartite beef stabilization. When are we phasing this one out? I am smiling here because I want to see the day that our program, that the Manitoba program is phased out. I want to see the day that this Conservative Minister has the guts to phase out a program that has provided the kind of benefits to the farm community. I will not see that day. They do not have the intestinal fortitude. They'd better put \$600,000 into that Budget and bring in a feedlot program, because they will not bring in national beef tripartite. When will you see the Province of Alberta ever agree to cease bottom loading in the national stabilization program? They talk a tough line.

I was at those meetings for six years, almost seven years. Not one thing has changed in terms of relations between Alberta and Quebec -(Interjection)- baloney. The Member for Lakeside (Mr. Enns) said there is a Conservative administration. Baloney, I say to him. He

does not know what he is talking about. There is no change, because I know that Alberta will never agree to the Province of Quebec setting up its own programming and top loading. They will never agree to that, and they will never give up their bottom loading. Those are the two worst actors, and to say that somehow there is a new era of cooperation and federal provincial relations, forget it. I want to see the Minister of Agriculture come in with a program to phase out the Manitoba beef plan for the national plan. I want to see those plans and his estimates will be up very soon. I am giving him notice now to bring forward his time line and his guidelines as to when the phase out takes place. That will be very interesting, a very interesting exercise in this province when that occurs.

This Budget in general terms is one that really provides a true—I guess in a sense a true philosophical bent of the Conservative Party that you give more to those who have lots and you continue to take away or give nothing to those who have least because they do not know it. They do not have it anyway, so they will be none the wiser and that is really the true philosophical bent of the Conservative Party. It is really socialism for the rich and free enterprise for the poor. That is really what this Budget really does. It gives millions of dollars of tax breaks to the large corporations, to Inco, to the insurance industry, to the railways, and it makes the statement "there will be no tax changes for anyone" as if there is a major break for Manitobans in this Budget.

* (1530)

Mr. Deputy Speaker, really what it is is in fact a shell game, the same kind of shell game that they played during the election campaign, the same kind of shell game that they are playing in this Budget, the same kind of shell game that they will play with the accounting, that the Minister of Finance attempted to play with the accounting of agricultural estimates, saying that there is a 50 percent increase in the Budget, when in fact it is a 34 percent increase. When you knock off the federal spending, it is less than 30 percent increase in the Budget, when you talk federal dollars out of this Budget.

So they really talked a hypocritical line when they were in Opposition. Now that they have come home—the chickens are coming home to roost—they have nothing to show for it. That is really the barren waste of the Conservative Party of Manitoba, the kind of drought mentality that comes into Government. There is nothing but dust between many of those ears on that side. It is dust blowing from end to end. This Budget really reflects the kind of lack of foresight and thought to deal with the problems facing rural Manitoba. They represent it, but they forget it, and that is the essence of this Budget.

Mr. Kevin Lamoureux (Inkster): At first it did not look as if I was going to be given the opportunity to respond to this speech. I thank the Honourable Member, Mr. Cowan, and the House Leader of the Liberal Party (Mr. Alcock) for allotting me out 10, 15 minutes.

It gives me a great pleasure to stand here this afternoon and comment on this my first Budget in this

Chamber. Before I comment on the Budget itself, I would like to comment on the length of all Members' speeches in response to the Budget and the Throne Speech.

The Budget is what sets the annual course the province takes whether it is one of more restraint or more spending. The Budget, together with the Throne Speech, determines the direction a Government takes in implementing its desired policy direction. All Members of this Chamber should be given the opportunity to respond to these two debates, to voice their concerns and their opinions. At present, we are limited to the number of days that we can respond to the Budget. Because of this, not everyone will be able to speak on it.

In the future, I would like to see a 30-minute limit on the response to the Budget. This would allow all Members the opportunity to speak on the Budget. I have had discussions with Members from all sides of this House on this particular topic. I am of the opinion that a consensus could be very easily reached. In short, contrary to the Member for Emerson's (Mr. Driedger) comments, a quality speech can be given in less than 40 minutes. In fact, chances are it would be of better quality and in all likelihood more interesting. That is all I was wanting to say in this particular area. Now I will move on to my response to the Budget.

Mr. Deputy Speaker, the similarity of this Budget and the one that was defeated several months ago is so close that I could spend hours reciting quotes from Hansard on what the P.C. Party said in criticizing the past Budget. Vice versa could be said in regard to the NDP's positive comments regarding their Budget.

What is the difference between the two Budgets? I did manage to find a few. The payroll tax, increase in funding for independent schools, the Senior's Directorate, River House, the Literacy Task Force, emergency drought assistance and motor vehicle registration increase.

I ask you, where is the initiative? I for one do not see it. I ask myself, how does the person on the street perceive this Budget? I believe the answer would be, other than the increase in cigarettes and gasoline, their response would be, this particular Budget is no different from most. The difference just is not there.

We, in the Official Opposition, would have given this Government time to develop a Budget that would have better reflected the change in Government most all Manitobans wanted on April 26 of this year.

Why did the Premier (Mr. Filmon) call the Session for July 21? What was the rush? Was it because he felt he could catch us green possibly, or perhaps was it because the Premier felt a summer Session would be easier to weather because so many are on holidays here in Manitoba? What was the rush? We would have given him time.

With an NDP Government, we anticipate tax grabs and an attitude of "spend it all to expand social services wherever possible and worry about paying at a later date." With a Liberal Government, we would see a Government that believes in the free enterprise system and supports its aged and infirm. The Liberal Party

recognizes the need for a good quality social welfare network while at the same time recognizes the importance of having a fair taxation system.

Mr. Deputy Speaker, with a Conservative Government, I expected to see more restraint, a Budget which perhaps provided hints of new directions and possibly directions of the Conservative manner. What happened to this Budget? Is this a Conservative Budget? Had the PCs been able to form a majority Government, would we be looking at the same Budget that we are looking at today? I hazard a guess to say no, we would not be.

The reason we have this Budget in its present form is because this Government wanted a Budget that could not be defeated. After all, the N.D. Party supported something very similar earlier on this year.

I would like to go back to the past election and say to this Chamber why the NDP were so soundly rejected. There were five issues that dominated the election and that ultimately decided the composition of this Chamber today. Those were, firstly, NDP mismanagement. A prime example of this was the MTX affair and how millions of Manitoban taxpayer dollars were thrown out the window. The then administration is quick to point out that it was not the N.D. Party that brought MTX into form but rather it was the Sterling Lyon Government. You cannot deny the facts, but you can say that it was the NDP who had the opportunity, that they could have disposed of the MTX. They had six years to do so.

The second issue, and probably the most damaging to the NDP, was Autopac. Back in 1985, there was no increase in rates because I believe the NDP Government felt that might be the year of an election. In 1986, the increase was mild because I would argue the NDP knew they would be going into an election. In 1987, it was not so mild. But 1988, the NDP, believing they had at least a couple more years to go, went ahead and increased the rate by, on average, over 25 percent. Manitobans really felt that. On this point, the Conservative Government should take note. It is time now for the original mandate of Autopac to be reinstated; that is to provide the lowest cost possible to vehicle owners across the board. At the very least, let us depoliticize it.

Another hot issue to all Manitobans was the 2 percent flat tax. This Government recognized the unfairness of the payroll tax and took action and we applaud them for that. I was pleased. But what about the 2 percent flat tax? It, too, is an unfair tax. Something should have been done to ease the taxation level of those who it will affect the hardest; for example, the seniors on a fixed income.

In general, the residents of Manitoba were tired of the NDP and their policies. They wanted a change. We, in the Liberal Party, are somewhat fortunate to have such a dynamic and popular Leader, and because of this and the NDP leadership convention, the electorate looked hard at the Leaders and their respective political Parties.

What I am trying to say can be summed up in five brief statements:

Manitobans want their Government to manage their tax money responsibly;
to depoliticize Autopac and bring it back to its original mandate;
to recognize the inadequacies in taxes and to do something about them;
Manitobans want their Government to be forthright and honest;
Manitobans want leadership and new initiatives.

This Government takes great pride in this, their first Budget, especially in the area of deficit reduction. The Minister of Finance (Mr. Manness), after all, claims to have reduced it in three short months from \$300 million to \$196 million. The Minister should look into why he was able to accomplish this great feat. I am referring to the well-known increase in the equalization payments and the increase in the mining taxes, better known as the windfall of '88. I feel obliged to mention to the Minister that he cannot count on windfalls on an annual basis.

In my opinion, this Government lost out on the potential of great opportunities. For example, the said windfall could have provided new initiatives for long-term cost benefits, things like the construction of new personal care homes. This would have freed up the more expensive beds in our health care system and saved us huge amounts of dollars in the long run.

Mr. Deputy Speaker, no doubt, I will be given the opportunity to discuss all parts of this Budget during the Estimates process. So, therefore, I would like to move to the area in the Budget in which I will be critiquing, that being the Department of Housing.

Unless some valid reassurance is given to myself and to my Party, I am of the opinion that the Department of Housing did not fare too well under this Budget. This is the department that received a net increase of .5 percent over the previous year while in the same time of the year the rate of inflation was set at 4 percent. In fact, the MHRC transfer payment was decreased by 3.6 percent. MHRC subsidizes the operational loss costs of non-profit housing. It also enables many Manitobans to receive lower interest rates through various programs.

The Minister of Housing (Mr. Ducharme), in his response to the Budget regarding MHRC, commented, and I quote from Hansard: "This does not constitute a decrease or a change in programming in the housing services provided by my department; rather, it reflects changes in accounting policy as recommended by Stevenson Kellogg Ernst and Whinney in their report to the Manitoba Government."

He goes on to say: "There is a reduction in the transfer payment of a little over \$1 million that will not interfere with programs." The Minister said the only reason in the decrease in MHRC's transfer payment was because of the new low interest rates.

Mr. Deputy Speaker, my first question for the Minister during the Estimates will be: How can the Minister say there will be no cuts in services and programs offered by MHRC when the transfer payment was reduced by some 3.6 percent? No doubt the Honourable Minister

of Housing's (Mr. Ducharme) likely response will be that he was able to do this because of lower interest rates.

My second question will be: If the NDP had budgeted for a 2.4 percent decrease for the same year, how does the Minister explain how he was able to save more on interest payments than the previous NDP Government felt they too would have been able to save during that same year? I will leave that question for the Minister and now move on to the Budget material that we received.

The manner in which this Government put forward its Budget overall is much to be desired. It seems to me that whatever figures we try and bring up, the Ministers or the Honourable Members across counter by saying you are looking at the wrong figures, that the facts are not there. There seems to be a lot of hesitation on exactly what are the figures, what are the numbers that we should be looking at? I am, of course, referring to the year ending March 31, 1989, the date put forward to the "actual" of 1988 and to the defeated Budget of the NDP.

I briefly want to comment on the supplementary information. It is unfortunate that we have to wait so long to receive the supplementary information. It is this type of information that enables us to find out where the money is being spent so that I would not have to ask the questions during Question Period to the Minister of Housing (Mr. Ducharme) on what is happening to this money that is being cut back through the MHRC.

* (1540)

During one of the responses to the Budget Speech, the Honourable Minister of Finance (Mr. Manness) implied to the House that I did not understand the department fully. I believe he was making some reference to the transfer payments and the grants and subsidies. I would like to inform not only the Minister of Finance but all Honourable Members opposite that all of my colleagues, including myself, have been working very hard browsing through all the supplementary information of the past and going through previous Hansards. We are very competent individuals and do not underestimate us.

Mr. Deputy Speaker, I would like to conclude on a couple of points that came of Question Period. One of the largest one is on Senate reform. The Premier (Mr. Filmon) is of the opinion that, once Meech Lake is passed, we will be able to work towards getting an elected Senate.

I say to the Honourable Members opposite that is not the full story. That is not true. How can we possibly get all 10 Premiers to agree to Senate reform when we cannot even get seven at present to agree to pass Meech Lake as it currently stands with the unanimity clause, the opting-out clause and so forth?

I think it would be a great tragedy to Canada as a nation. I am all for amendments and going through the public process and getting input to hear what all Manitobans have to say about it. I would hope that the Members opposite and to the left of me will listen to what Manitobans are saying. If by chance we do come

up with some good solid amendments, that we are not scared to act on, we should not bow to the pressure of the federal Government or any other provincial Government to pass Meech Lake. After all, this is what will determine the future of our nation.

I see, Mr. Deputy Speaker, that I was given 10 minutes? I can take as long as I want. Well, that is really all that I had written and prepared myself for so, once again, I would like to thank the Honourable Members for listening to me this afternoon and look forward to talking again.

Ms. Maureen Hemphill (Logan): First of all, I would like to comment on how pleased we on this side were to have the Premier of our Province (Mr. Filmon) be able to attend the First Ministers' Conference and be here today for the vote on his first Budget. We believe that both were important occasions and that he was entitled and should be at both, and take great pleasure in participating in cooperative negotiations that got agreement between the three Parties so that this could happen in a very cooperative way.

I am pleased to rise to speak on the Budget and I know that both the Premier (Mr. Filmon), who is going to speak, and the Minister of Finance (Mr. Manness) seem to be proud of this Budget, but I cannot, for the life of me, understand why. They are standing up in this House and talking as though they have brought in a Budget that they are proud of.

The only thing I can relate to—it is something like having your first-born child. It really does not matter what the child looks like, you are going to be proud of that child, and you are going to stand up for that child and say that is a wonderful child. This is their first Budget, and I guess that is the way they feel, even though for a Conservative Government and a Conservative Finance Minister and a Conservative Premier, there is very little to be proud of in this Budget. This is a Budget—why are they proud of a Budget that copies almost completely the NDP social policies?

There is an article that was written that said imitation is the sincerest form of flattery, but I think they and the people of Manitoba would have preferred to see what a Conservative Budget looked like when it had Conservative programs, Conservative policies, Conservative priorities, and when the Conservative agenda was clear, which it is not in this Budget.

I want to know why they are proud of a Budget that gives them an unprecedented \$200 million windfall that they fritter and give away, as was said previously, to the people who need it the least, and give the least to the people of Manitoba, those who need help the most. How can they be proud of that, giving the money to big corporations that do not need it—are going to put it likely into more profits; that give the money away to mining companies that are presently making a killing; that give the money away to private schools and then say no to the people of Manitoba? When it comes to making a decision on tax deductions for families, the answer from the Finance Minister (Mr. Manness), to a question in this House, was there was not enough money. We did not have enough money to give the people a tax break. That is not true. Government means

you are making choices, and this Government had choices to make, and incredibly they had the money to make the choices, and they chose. It is not that they did not have the money to give families a tax break, they chose to give it instead to big corporations and to mining companies. I think that they have let down the people of Manitoba.

This Budget is a good example—it is an election Budget—of a minority Government that believes it is going to be into an election sooner rather than later. It is a Government that either does not have a vision or a plan or does not have the courage to carry it out and to implement their own agenda. I do not know why they are proud of this Budget when it is a Budget that has no economic plan. It has no economic plan, it has no plan for jobs, it has no plan for health reform. They said in the election that they had a plan, and they have no plans, no economic plans.

As usually is done by Conservative Governments, what are they depending on? They are depending on the private sector. They have one plan; that is, not to do anything themselves, not to take responsibility, not to be part of developing an overall economic plan where the private sector takes a part and plays a role that is very important, but where the Government itself must intervene into those areas where the private sector will not go. That is into the inner city, that is into the North, that is where the Government must be developing jobs. Is the private sector going to bring in jobs for young people? Are they going to target jobs into the communities in the inner city where the unemployment rate is running 60 to 70 percent, in the North where it is running 80 to 90, sometimes 100 percent? Is the private sector going to do that? No, they are not going to do that.

It is interesting, the Minister of Finance (Mr. Manness) has been greatly disappointed that there have not been a lot of questions in the House about his Budget. I think he is kind of feeling ignored. I just want to say to him that the day that he, as Finance Minister (Mr. Manness) of the Conservative Government, is prepared to bring in a Conservative Budget with Conservative priorities, programs and policies is the day it will be worthy of asking questions in this House.

This is a Government that brought in a Budget, and I do not know why they are proud of this, where 80 percent of the Budget and 80 percent of the Throne Speech are made up of existing Government previous NDP programs and policies that they are either continuing or expanding. If you read through the list of the Budget, what is in the Budget, and you read through the Throne Speech, that is what you will find.

It is largely continuing what we had begun. It does not matter whether it is day care; it does not matter whether it is the freedom of information; it does not matter whether it is Osborne House; it does not matter whether it is child or wife abuse programs. It does not matter. Those programs were started by our Government. It is 80 percent based on our programs, 10 percent based on study and about 10 percent based on their own Conservative initiatives, and that is not good enough for this Government. It is not good enough for the people of Manitoba.

I think the people, the Members opposite in the Government, are capitalists. They are capitalizing on our ideas, our policy and our work. It is interesting that, in this article where they talk about the fact that the people were asking for a change and when the Budget came in, they said change? What change? It turns out a Conservative Budget differs from that of the NDP largely in the matter of who gives the Finance Minister (Mr. Manness) a standing ovation. That is just about the only difference. There is every indication the Party is ecstatic over the fiscal wisdom that has guided the Minister and little to show that the Budget has been recognized as an old acquaintance.

Do you know, Mr. Filmon, when he spoke to the motion of non-confidence, heaped scorn on the Budget in the Budget Debate and he called it a "Let's-pretend Budget." That is what he called it when we brought it in. There was no indication then that he considered it worthy of an encore or that he would end up with a "Let-us-pretend-to-be-the-NDP Budget" in social policies.

So I think it is unfortunate that they did not have the courage to bring in their own Budget and their own programs, and I think the people of Manitoba can be very concerned and very worried about what they intend to do in the next Budget when I think we can see Tory policies and Tory priorities brought in.

What did they promise in the election and what are they riding on? Good management, trimming the fat and avoiding duplication. That is what they say they are going to do to manage the economy. The Minister of Finance (Mr. Manness) blew his horn when he made a major announcement that said that he was reducing by \$3.5 million. He was slashing administrative costs is what he said. I have slashed administrative costs by \$3.5 million, \$3.5 million out of a \$4 billion Budget is almost not worth talking about. If it was a real saving, and it is not clear that it is—(Interjection)—It is not clear that is a real saving or a book saving, but let us call it a real saving. They are getting ready to give up \$200 million in the health and education levy by reducing it over a period of time, \$200 million, and they have come up with a package that reduces administrative costs by \$3.5 million.

They have done something else. These are the steps they have taken since they took office in order to control costs. These are the ones that I can see. They have reduced the administrative costs by \$3.5 million. I will give them the whole \$3.5 million, although I think a fair amount of it is just redistribution to other departments. They have changed the financial accounting system to plump up the size of the NDP deficit. That was the main reason, we all know, for bringing in the outside accounting firm. It was not to increase the credibility of the figures at all. It was to beef up the size of the deficit so they could look better. It is financial manoeuvring and manipulation and anybody can do that.

* (1550)

They reduced the portfolios, the number of Ministers and the number of portfolios, and said that this was

a cost saving feature. I want to tell both the Ministers opposite and the Premier (Mr. Filmon) that I think that is one of those penny-wise pound foolish decisions, because what is clear already is that his Ministers are overburdened, that his Ministers have too heavy a load and that they are not in control of their departments, that they have too much to keep track of and the departments are having to run themselves.

I am feeling very sympathetic with the Ministers who are carrying these heavy loads and can just barely stay on top of what is happening, let alone give the direction and the leadership that is needed in their various areas.

We are talking, in total, probably about \$5 million in reduction of real dollars of a \$4 billion Budget. The money that has accrued to this Government has absolutely nothing to do with good management. The notion that they have turned around the economy and turned around the management of the Government in three-and-a-half or whatever it is, four short months, is an absolute joke.

The reason that they have been able to do what they have been able to is that they have been at the right time at the right place; it is improvements in the Canadian dollar; it is because there are very significant increases in federal revenues. There is a pre-election giving of money to all the provinces, including Manitoba, who does not usually get much of a share of the federal dollars, but even Manitoba is benefitting from this one. The other reason that they have this money accruing to them is because of the deficit reduction program undertaken by the former Government, not this one, that has reduced the deficit very little when you take away the sleight of hand and the book manipulation. I think you can call this anything you want to—you can call it good luck, you can call it good timing—but you cannot call it good management.

It is interesting to see what they have done in their playing around with the departmental budgets. Tourism is up a million dollars. I want to say that we are in agreement with that. The tourism advertising budget is up and we believe that tourism has the potential to be one of the top two industries in our province and that promoting our province is money well spent.

The agricultural department is up, as they said, a whopping 58 percent to deal with the drought; but I can tell you that any Government that was in, and any Party, would have done that, would have put money in that budget to deal with the drought.

But what is down and who has lost? The Department of Labour is down about a million dollars, a million two. Northern Affairs, the Community Development Program in Northern Affairs, and they said the reason was that there was not enough community development. Can you believe this? In the North, where they are desperately crying for community development programs, they have cut the Budget by saying the need is not there and the take-up on the program is not there?

Where else have they taken money from? Housing. As mentioned by a former speaker, he thinks Housing is receiving short shrift and they are. It is not just the

cut in money, the \$1.2 million, but where are they cutting? They are cutting \$2.7 million in subsidies to low income families. That is where they are cutting. They are cutting the loan forgiveness for non-profit housing. That is where their heads are at. The people that need help the most for housing is where they have reduced the money in the Housing budget and I think that is shameful.

So that gives you a little bit of playing around: some money in, some money out. The ones that are the losers are the departments that are delivering services directly to people whether they are in the North or they are in the inner city, whether they are poor people who need housing.

Energy is down by \$10 million and that is an indication of where this Government's head is at. The importance of energy to this province where they are prepared to give it away with no guarantees under the Free Trade Agreement and the \$10 million reduction is another example of the downgrading of the importance of our natural resources to our province.

The distribution of this money, from the mining companies of course and from the 10 corporations that were the major beneficiaries in the reduction of the payroll tax. That is where you would take it from, and by not bringing in this sleight-of-hand manoeuvring, the accounting for the deficit, which would have allowed you to put more money into job creation, more money into tax reduction for families. You had choices and you chose not to use them.

But the way they have distributed this money, I think, this new-found money that even they call a windfall, where they have chosen to put it shows more clearly than anything we can say the real differences between an NDP Government and a Conservative Government. Where did this Finance Minister (Mr. Manness) and his Government choose to put the money?

They chose to put it into the reduction for the health and post-secondary education, which let off 10 major corporations and the federal Government from putting money into the provincial coffers. They chose to put it into mining companies that are already making a killing and that do not need the money. What did they choose not to do? Who did they decide? When they made their decisions, they made some decisions on who to give the money to and who not to give the money to. Who have they decided not to give the money to? Well we know who the winners were: the big corporations, the mining companies, private schools, CPR, Inco. Those are all the winners. Who are the losers? The children of Manitoba, absolutely. The children of Manitoba, Northerners, we will get to them one at a time, seniors of Manitoba. Keep them coming. There are a lot of losers. The people of Manitoba are the losers.

Let us talk about foster parents and, when you are talking about foster parents, you are talking about children and you are talking about the care of children. They offered a 12.5 percent increase, which is about 75 cents a day. They told them that, if they wanted to, they could give up their operating money for the Manitoba Parents' Association, which they desperately

need to help them learn and understand and be educated about how to take care of other people's children, children who are often abused, many of them sexually abused. They need the support and the help of this organization, and they said you can get another 27 cents a day by taking away the operating money from the association.

They do not want the association there absolutely, because they are causing them problems and they do not want to come up with sensible alternatives. They do not want to negotiate in a reasonable way, because I think the Foster Parents' Association will be reasonable. I think the \$2 a day they have come and asked for, and then said we will talk about increases over a period of time, is a reasonable position. What did the Minister of Community Services (Mrs. Oleson) say? She said, there is not enough money in the Budget to handle a \$2 increase. That is balderdash. There was enough money in that Budget to handle a \$2 a day increase. The \$1 a day increase plus 3 percent only costs \$1 million. The additional \$1 will cost \$1 million. Are they telling us that they could not find, out of their \$200 million windfall, another \$1 million to have children cared for in foster homes?

Instead, they are going to come up with more costly alternatives because anything they come up with, whether it is St. Amant, whether it is institutional care, whether it is home care, whether it is Motel 75, they are all going to be two or three times more expensive than coming up with a reasonably negotiated position for the foster parents. Even if they do find some alternative care that is about the same rate as the existing foster care rates, and they may because Manitobans are kind people and some of them may come to the fore to help out if there is a moratorium, I want them to know that what they are doing is undermining the Foster Care Program and undervaluing the work that is done by those parents, and that has been done in providing care for children for decades and who we need desperately. We are on a program to move away from high-cost institutional care, and they are pulling the rug out from the Foster Parents' Association, the foster parents and, most of all, the children, the 500 to 1,000 children who are going to have to be placed in the next six months.

* (1600)

We know that one of the problems of the children is that they are moved around too much. What are we going to do? We will stick them into a motel for a couple of months and then we will stick them in a home care. Somebody will take them, and some kind lady down the street will offer to take them for a couple of months, and these children will be shuffled from pillar to post because we are not prepared.

The Minister of Finance (Mr. Manness), who has just come in, cannot find an additional \$1 million for the care of children in foster care in Manitoba, and I think that is shameful. He had the million. He could have taken a million less to Inco, a million less to the mining companies, a million less to the corporations. He had those choices, and this is what he chose to do.

Now who else did not get any money, and where are there some other deficiencies? What about job

creation? Is there any money in that Budget for job creation? There are 40,000 people in Manitoba unemployed and this Government, as stated by the Winnipeg Chamber of Commerce who said they were pleased at the strong signal that this Government intends to put the responsibility for job creation back where it belongs, in the private sector, handing over their responsibilities to the private sector. First of all, the private sector is very important in job creation, very important, but they are important partners. They are important that they share and participate, not that they have the whole responsibility dumped on them to provide jobs, whether they are needed in the North, in the inner city, whether they are needed for young people.

Let us look at some of the statistics that are showing what always happens when a Tory Government comes into office. Unemployment starts to go up immediately because they abrogate their responsibilities as a Government and they leave it all to the private sector. Our unemployment record is worsening. We were always below the national average but, in July, we met the national average, and we were the only province to experience an increase in July '88 over July '87, the only province in the country to experience an increase.

Do you know what is the most alarming and the most concerning? To find that they have no plans to deal with what is a crisis and a critical issue, and that is youth unemployment. Do they have any plans for youth unemployment, which has jumped from 9.3 percent in July '87 to 13.9 percent in '88? In contrast, the Canadian average dropped from 13 percent to 11.5 percent. We exceed the national average of 11.5 percent. Unemployed male youths went from 9.8 percent to 14.9 percent, so that unemployment of young men now has increased by over one-half of last year's level, and this Government has not \$1 in the Budget to deal with youth unemployment.

We all know that, if young people are unemployed for over a period of two years, there is a very great possibility that they will move into the arena of being dependent on the State for a long period of time. In other words, the unemployment of young people has to be broken early. There have to be specially targeted programs. Do you think the private sector is going to do that? Which business, which private sector, which business out there is going to target millions of dollars for direct job creation for young people? I suspect none of them, so I suspect that those records are going to go up. The fact that it is going to be turned over to the private sector means good news for this Government, who can wash its hands of the responsibility, but it is not for the young people and it is not for the unemployed.

Now what did we do instead? This slavish belief that the private sector, this ideology that they do not even recognize as an ideology—by the way, we are the ones who have the ideology and are the idealists. This belief that the private sector is the be-all and the end-all and the cure-all for everything in a time when everybody has to work together to deal with the complex, difficult issues, I think, is really unfortunate for Manitoba and what is going to happen in Manitoba.

Now what did we do? We did not think that we could do everything ourselves, but we cooperated with the private sector. We had Limestone, which had thousands of jobs, provided thousands of jobs in the North and which they were opposed to. We had direct job creation through the Jobs Fund and it created thousands and thousands of jobs, and they were opposed to that. We had cooperation with industry through the manufacturing sector. We had a program with the manufacturing sector where we cooperated to improve technology and manufacturing, which is our No. 2 industry and slipping badly and needs help and support.

We provided infrastructure to our social service arena where we built and beefed up the construction industry by building not only houses but by building hospitals, schools, personal care homes and using it for improving the social services and improving the economy in those communities and in those areas, and they were opposed to our level of spending. Fixing up the schools, we were spending too much money, even though the construction industry and, as he said, the benefits to the buying of supplies and materials and all of those and our activities in housing where we used housing as an economic tool and it was a very effective tool. It was all of those tools together that gave Manitoba the lowest or the second-lowest unemployment rate in our country during every year of our office. It is all of those tools that are going to be needed in the future that this Government is going to ignore. That is why our unemployment rate is going to continue to go up.

What are they going to do about health? Do they have any plans for health? Well they have a reasonable amount of money in the health care budget, I have to say to the Minister of Finance (Mr. Manness), but no plan, no vision and no health care reform, which is even more important.

What they are doing is putting a significant increase in to maintain the existing system and we know that, if we continue that, we are on a critical financial crisis. We are facing a critical financial crisis. We do not have time for all the studies that the Minister of Health (Mr. Orchard) is initiating. We do not have time to set up this Advisory Network Committee that is going to tell the Government what they should be doing in health reform. They should have their own plans for health reform and they should be putting that information out and consulting with the committee, consulting with the people, but they must have their own vision and their own plan.

We were beginning to move towards prevention. We were beginning to move towards health reform, and the professionals in the health care field were supportive. They were ready for the changes that they knew had to come. And do you know what has happened? They have absolutely been stopped dead. Nothing is happening. They have stopped the initiatives that were begun and everything is staying the way it was, but the costs will not stay the way they were.

We are presently spending 36 percent of our provincial Budget on health care. If we do not change the delivery of our health care system, if we do not move towards prevention, if we do not move towards low-cost community-based health care, if we do not

decentralize our health care procedures like chemotherapy and kidney dialysis, which this Government began delivering out in The Pas, out in the North, out in the rural area, if we do not continue in those areas, within 10 to 15 years, our health care system is going to take up about 60 percent of our provincial Budget. We cannot manage 60 percent our Budget going into health care and we cannot wait for this Government to hope that they can go through an election and get a majority Government so they can begin to do the things that are their real agenda which could be like the Conservative Government is dealing with the health care issue out in British Columbia where they are bringing in extra billing, they are bringing in user fees and they are making very serious cuts to their health care programs. That is what the Conservative Government, with a mandate, is doing out in British Columbia. Is that what they are waiting for, is the mandate?

* (1610)

They are not making any moves now to make the changes that must be made. These are the things that they should be dealing with right now: the role of hospitals; getting more community-based clinics in rural Manitoba; decentralizing the delivery of health care procedures like dialysis and chemotherapy; having plans to continue the regionalization of service; sending specialists to the North. Seventy-five percent of the health care in the North is delivered in the City of Winnipeg, and we have got to start taking the specialists and taking the services and sending them out to the North.

What about group practice? If we want to keep doctors in the country and we want doctors to agree to go out to practise in the rural area, we need to begin to work to promote and support group practice where four to six doctors can work together and give themselves some relief on the evenings and the weekends and for holidays. That is an incentive to doctors to go out and work in the rural area. What are we doing in those areas? This Government is doing nothing.

But most all, what they chose not to do was to give a break to the people of Manitoba. They let down the people of Manitoba because they had a \$200 million windfall. The Minister of Finance (Mr. Manness) called our former Budget, our taxation in our former Budget, the biggest tax grab in the history of Manitoba. What did he do to change it when he had \$200 million in his pocket? Not a damn thing. The level of expenditures are the same, and the level of revenues that they are taking out of the pockets of the people are exactly the same as they were in our Budget, and that is shameful.

What they did do, though, is they did pass on the money—was it \$91 million?—that the federal Government made available for tax reductions. They said, very proudly, we are going to pass this on. Well, good heavens, since the money came out of the pockets of the families in the first place when the federal Government took their \$2.2 billion tax grab, which translated into \$1,300 per family, the least they can do is pass that on to the people of Manitoba.

But they should have done more. I think that it is shameful that having been on the streets, as were all Members of all Parties, and being told so clearly that the people of Manitoba need a break from the overall burden that they are carrying of taxation and increases in costs of raising a family, that this Finance Minister (Mr. Manness) said, when the question was raised by a Member opposite, I am really sorry, but there is no money in the Budget to reduce the taxes for the people of Manitoba. There was \$200 million of additional money there, or more, and they could have chosen to give the people a break.

When he was asked what studies have been done to show that there would be more benefit by putting the money into the hands of big corporations and what guarantees that they would not just take more profits as opposed to putting the money into the pockets of people who would then spend more, have more disposable money and spend more, he said he did not know.

I do not think that they had any studies done. They just gave it to their friends because that is what they always do and because that is what they had promised to do.

I think that when the Minister of Finance stood up in this House proudly, and as I have said before, I cannot understand why they are proud of this Budget for a minute, except it is their first-born child, and you are always proud of your first-born child.

An Honourable Member: Are you not proud of all of your children?

Ms. Hemphill: I would not be proud of this one, I will tell you. So that is the only reason I can think of. It is your first Budget. So you have to be proud of it because it is your first Budget, even though there is nothing in there for you to be proud of.

But you know, he said proudly, there is going to be no tax increase for the people of Manitoba, and he was proud of that statement. There is going to be no tax increase. He could have been proud. What he should have said is that we are going to use some of that windfall money to give the families a further reduction in taxation. Then he would have had something to be proud of.

Let us talk about the deficit. What he had relied on, what he is proud of and what he did is he gave the money to the corporations and he reduced the deficit. They are talking about how proud they were of reducing the deficit. We reduced the deficit. In a two-year period, the deficit was close to \$600 million and we reduced it to—hear this, Mr. Finance Minister (Mr. Manness)—\$211 million, disregarding your financial manipulations and the financial accounting with the outside auditors that were brought in not for the purpose of making the figures more credible, but were brought in for the purpose of plumping up the NDP deficit to make us look bad and make you look better when you pretended to be reducing the deficit. Ours was real deficit reduction. Yours was financial accounting and manipulation, and anybody can do that.

So where did you get the \$200 million? Why did you have this \$200 million in your hands? Was it because of good management? In three-and-a-half months, they reduced \$3.5 million from administration, they cut down portfolios, they gave a bit less money to some departments. That is the basis of this good management, and what they have been able to accomplish? They have got that money—

An Honourable Member: What is a million?

Ms. Hemphill: No it is not “what is a million,” it is what you do with a million—(Interjection)- No it has not, it is what you do with the million. You could have taken \$1 million from Inco and given it to Foster Parents to give them \$2 a day. That is what is important is what you do with the million.

But why have they got this money? It is not good management. They have got it because the Canadian dollar is up. They have got it because of increased federal revenues and because these are pre-election goodies. Even Manitoba is getting a share and we do not usually get a share. They have got it because of the deficit reduction program that our Government undertook that reduced the interest rate significantly. That is why they have got that money. I said before, you can call it good timing, you can call it good luck, but you cannot call it good management.

Let us see who did they help? Two minutes? I need about five, I think.

I want to talk for a minute about who they helped, their friends, and the payroll tax, as they call it, or the health and education levy. They are talking about being prepared to give up \$200 million in revenue. Where is it coming from? Thirty million dollars comes from the federal Government. We want to give that money back to the federal Government or let them off the hook when they have reduced our transfer of payments in health and education so drastically over the years. We have got 33 million coming in the health and education levy from the federal Government, and he wants to let them off the hook! About 100 million, 50 percent of it comes from 10 of the biggest corporations that are taxed, and he wants to give that up? He wants the federal Government and 10 of the biggest corporations who contribute \$133 million of revenue to this province that could be used for job creation, for foster care, for tax deductions for families, he wants to give it back to them and say, well I guess, where will we get the money next year? We will get the money from the people, I guess, or from the next best place the Conservative Government likes to get money, big cuts in programs. Those are the only two choices that he has.

* (1620)

He is counting on these big corporations to bring in new jobs. I mean what do we know about big corporations that would make us believe that they are not going to put that profit in their pockets, and why does he believe for a minute that they are going to use that money to create new jobs? Then he said, in answer to the question, well, wait a couple of years and we

hope that there will be an overall stimulus to the economy. The people of Manitoba do not have two years to sit around waiting for this stimulus for the economy to come from corporations. Do you know what we could do? The payroll tax is about \$200 million. Let us see, the Department of Community Services budget is \$232 million; well, we could wipe that out. That is where he could get it. The Department of Employment and Income Security is \$250 million; we could wipe that out. Maybe that is where he would like to get the money. We could eliminate home care, Pharmacare and day care completely and still be about \$50 million short in making up that \$200 million in revenue.

Mr. Speaker: Order, please; order, please. The Honourable Member's time has expired. Does the Honourable Member have time to wrap up? - (Interjection)- (Agreed) The Honourable Member for Logan.

Ms. Hemphill: Thank you for the one minute leave, Mr. Speaker. I just want to say, I guess in closing, that the Tory ideology which depends slavishly on the private sector and has them not carrying out their responsibility, not distributing the \$200 million windfall to the people where the needs were the greatest, is a clear example of what you get when you get a Tory Government.

When you had an NDP Government, you had the lowest unemployment rate in the country or the second lowest, the highest amount of public and private sector spending, the highest number of housing starts, the highest number of business starts. What are we going to get with this Government? Unemployment is on its way up right now, people are leaving the province. Public sector spending and private sector spending will be down. The construction industry is already hurting; it is down 50 percent from the same time last year. The people of Manitoba are seeing what they are getting with the Tory Government and they are not even showing their true stripes.

I wish to say one last thing. I wait with bated breath for the next Budget to see what it is that a real Tory Finance Minister and a real Tory Premier and a real Tory Conservative Government will do when they bring in their own agenda and not ours.

Mr. Reg Alcock (Osborne): Mr. Speaker, I think I have to agree with the Honourable Member for Logan, but if she would give us a little help tonight the next Budget in this province could be a Liberal one. In fact, I do not understand why she has chosen to do what she is going to do, given the complaints she has about the present Government.

Ms. Hemphill: I did not have enough time for you.

Mr. Alcock: You will have time, in Opposition.

Mr. Speaker, I have to inform you that I have the designation of my Leader to speak for unlimited time.

As this is my first opportunity to address this House, I would like to begin by extending to you my congratulations on your elevation to this office. As one

of the House Leaders, I have an opportunity to work closely with you and I have come to deeply respect the even-handedness and the integrity with which you approach your duties.

I also want to extend my congratulations to the Deputy Speaker and to the Deputy Chairman of Committees. I think it is a sign of how the Liberal Party has approached this Session of the Legislature, that we had one of our Members stand and play a role in the management of this House. It is a sign of our willingness to cooperate with the Government and work with this Government on good legislation and good programs for the people of Manitoba.

I also wish to extend my very best wishes to all Members of this House. When you are active in politics, you begin to develop all sorts of myths and images of those that you contest against. Coming into the House has dispelled some of those myths, reinforced others, but I am pleased now to be joining in the debate.

Mr. Speaker, I would like to thank the Pages, the staff of the Assembly and the Table for their patience and forbearance as I learn my new responsibilities. The Clerk, in particular, is helping place a steady hand on the many motions that I wish to leap to my feet with.

I am sitting in this House today as a result of the incredible job done by my Leader in the Sessions previous to this one.

Some Honourable Members: Hear, hear!

Mr. Alcock: The Member for River Heights (Mrs. Carstairs) has developed a reputation for honesty, integrity and a straightforward, no-nonsense approach to Government that I think serves all of us well. I think if some Members of this House would sit still and listen a little bit, they might learn something.

Today I want to thank my Leader for the trust that she has placed in me by making me the House Leader. I also wish to thank the other two House Leaders who have shared with me their knowledge and their wisdom, have guided me and helped me learn the craft that I am only beginning to understand.

I would like to thank also the hundreds of volunteers who have worked in my election and who are continuing to work today to ensure that we give good service to the constituency of Osborne and to ensure that the people of Osborne will consider re-electing me in the next election. I also want to thank the people of Osborne for placing their trust in me. They did not do that lightly. As I campaigned throughout the riding, I heard story after story about how disillusioned they were with politics and politicians, how they did not trust us, any of us. I am their representative now. I will be their representative after the next election only if I am true to the values and the principles that myself and my Leader campaigned on.

While this was my first experience as a candidate, it was not my first experience in political life. It was not the first campaign that I worked on; it was not the first door that I knocked on. I have knocked on doors

for Liberal candidates for the past 15 years, but there was something different about this election.

The first thing that was different was the obvious respect that the people of Manitoba had for my Leader. The second was the anger, the very intense anger that they felt at the way they had been treated by the former Government. People would run out of their front doors, literally, come out of their front doors and meet me halfway up the walk to say get them out, I want them gone, I do not want the NDP back in this Government. They would stop their cars on the street and they would wave to me and they would say do it, get rid of them. They were furious. I felt it every block I walked on. I am sure the other Members of this House felt it, too.

I remember, in particular, a senior citizen in the Lord Roberts area, a small white-haired somewhat frail lady in her late 70s, early 80s. When I first went to her door, she said go away, I do not want to talk to you; I am not going to vote; I do not trust any politician; I do not trust any one of you because you never do what you say; you never follow through on the commitments you make; you never live up to the beliefs; you never live up to the trust that we place in you. I talked to her for some time. As I was getting ready to leave, she turned to me and she said, okay, I am going to vote for you this once, but if you do not do what you say, if you do not follow through, I am going to come looking for you.

Some Honourable Members: Oh, oh!

An Honourable Member: She will find you.

* (1630)

Mr. Alcock: I will be there to be found. The image of that 90 pound senior citizen haunts me today.

She said it perhaps the best, but the message to us was repeated over and over by the people in my riding. Is it any wonder that they are distrustful? Is it any wonder that they do not believe us? In 1984, we elected a Conservative Government with the largest majority ever given any Government in the history of Canada. We elected a Prime Minister that campaigned on a program of integrity, a rejection of patronage. What has happened since then? He has run the most corrupt, scandal-ridden administration that we have ever seen in Canada. Do Canadians not deserve better than that? Do we not deserve better than that?

Our previous provincial Government was elected in 1981 on an upswell of excitement and a sense of relief after the viciousness of the Lyon years. There was a great deal of excitement as they came to office. There was a great deal of belief that maybe now we would get on with helping people instead of attacking people.

How is it that six-and-a-half years later they end up with their hands so deep in our pockets that we cannot get our own in, that they end up losing the trust and confidence of their own Members? They cannot even govern. They cannot keep governing because they cannot keep their own Members' support, much less that of the people of the province. Do we not deserve a little bit better than that? Manitobans deserve better than that.- (Interjection)- That is right.

Our new provincial Government, after condemning the previous Government for politicizing the Civil Service, for making patronage appointments and taking care of their friends, undertakes as one of their very first actions, to give an untendered contract to one of their friends. Did we not elect a Government to give us a change? Did we not elect a Government to do something different? Do we not deserve better than that?

In three short months the Members opposite are already well into emulating the previous Government. They have been laying off civil servants, replacing boards and commissions, handing out contracts, and their only justification is they need a little bit of new blood. They cancel funding and programs in Opposition ridings and fund their own. Do we not deserve better than that? Did they not promise us better than that? Is it not time that a politician promised something and then did it?

If we believe that the politicization of the Civil Service is wrong, is it not time to stop doing it? -(Interjection)-The Honourable Member for Arthur (Mr. Downey) makes exactly the cynical case that the media and other more experienced politicians—all the time they say, you are going to feel sorry for this because when you get into Government you are going to want to do it, just like we do, right? No, it is wrong.

I thought very long and hard about this speech with exactly those consequences in mind, and I am standing here saying this because I believe it can be different. We campaigned on a different platform. We said during the election it could be different and it would be different. And it will be different, as soon as Sharon Carstairs becomes Prime Minister—

An Honourable Member: Prime Minister?

Some Honourable Members: Oh, oh!

Mr. Alcock: Premier, and then Prime Minister. I am ready. I am ready for it, I am ready for it!

An Honourable Member: How about Lloyd Axworthy?

Mr. Alcock: Ah!

Mr. Speaker, we ran on that program of competent management—a program of responsible Government. We believe that it is possible for a Government to operate with integrity and honesty. We cannot support this Government given its actions to date. We will not support this Government given its actions to date.

I wonder how long the Members of their own Party will be able to stomach this form of Government. How long will it be before their Members decide, like Members of the former Government's caucus, that they can no longer take it?

Mr. Speaker, this is the Budget Debate, and frankly, I am not sure what I can add to the statement made by the Honourable Minister for Culture, Heritage and Recreation (Mrs. Mitchelson) who said, during Question Period, looking at the numbers does not indicate the

true facts. I think she has said it all and I would like to congratulate her for her openness. I would also like to ask her sometime which fact she feels it does indicate.

If I may digress for a moment, though, I would like to speak just briefly in defence of my computer for it has been much maligned by the Premier (Mr. Filmon). While he claims to recognize the principle of garbage in and garbage out, he nonetheless continues to blame the computer for the results I get when I put his Budget into it. Of course, this is not unusual coming from an individual who campaigned on a promise to reduce the use of computers in Government; nor should it be surprising coming from a Party that practises an 18th Century form of social and economic policy. It would seem that their idea of management competence is a return to quill pens.

I think it is clear now, Mr. Speaker, now that I have seen his Budget, I can understand why he is so distrustful of computers because he has not figured out how to reprogram the word processors of the Department of Finance and all they are producing is a copy of the old Budget.

What we have witnessed to date is tragic. This Government was faced with a tremendous opportunity, a new mandate, a rejection of the old Government. They campaigned on renewal and they had a revenue windfall. They had more money than they believed they would have going in. The Budget that they have laid before us, their first substantive statement of intent, is a failure.

Mr. Speaker, the constituency I serve is located less than a mile south of here. It is a beautiful area of the city with much to offer the people who live there. Home to River Park until the Second World War, it was the place where Manitobans came to play or where people from Winnipeg certainly came to play.

The tranquility of that community was disturbed in the late Sixties when during the Roblin Government—are you ready for this now?—during the Roblin Government, Sterling Lyon caused No. 1 Highway to turn north, instead of go straight through to connect as it was planned, straight through his riding. As a result, my parent's home was expropriated and a bridge was put across the Red River to connect with Osborne Street—a bridge that divided that tranquil little community into three sections. You only have to spend a day at the Jubilee Street Fair—the one day of the year when that street is closed—to understand how much those residents have lost as a result of that action. You only have to spend a little time there understanding what they are living with to understand the rejection of a Conservative Member.

Osborne constituency is bisected by the CNR Fort Rouge Yards, once a service centre for steam locomotives. It is now used as a transfer point for goods between the CP and the CNR. As a result of this use as a transfer point, carloads of dangerous chemicals, explosives, tanker cars full of gas and other industrial chemicals sit in the yard for up to 48 hours.

* (1640)

Last May, one such car located on a siding not 500 yards from a children's playground developed a leak.

The yard crew responded in a timely fashion. They got the leak under control and no disaster occurred. It could have. We could have had an explosion in that car the same way we had in the Symington Yards a few years ago. The difference, Mr. Speaker, is that car was located right against people's houses. People would have died had that occurred.

That is not the only incident that has taken place in that yard. In fact, the computer printout of mishaps in handling dangerous commodities is as thick as this rather modest of speech of mine. Had we had or if we were to have an incident like the one that occurred in Mississauga, the loss of life in Lord Roberts in my constituency would be enormous.

The solution is some form of separation between that rail yard and the community, a separation that was sought from the former Government and did not occur, a separation that I have met with the vice president of the CPR and they are prepared to support the building of it. I have met with the mayor of the city and he endorses the concept. I have met with the councillor for the area and he is supportive of the concept. My federal counterpart, the Honourable Lloyd Axworthy, has met with the federal Minister of Transportation and they are prepared to put resources forward to do it. What is needed now is an indication of political will on the part of this Government to proceed with that barrier, and I will be approaching Members opposite to complete that project as soon as I possibly can.

Mr. Speaker, the residents of my constituency have other concerns. At the present time, the City of Winnipeg dumps snow on the riverbank at the end of Arnold Street. As a result, all night long heavy trucks go up and down residential streets hauling snow onto the riverbank. Now this creates all sorts of problems. It disturbs the residents in that constituency. It concentrates enormous quantities of salt and other chemicals and allows that to feed into the river, something that the Environment Department permits in this province. It is not permitted in Ontario. It kills all of the vegetation on the riverbank which accelerates the erosion of the riverbank and in the spring, when the snow all melts away, we are left with what looks like a landfill site in the midst of a residential community. That has to change and I have approached Members opposite on it.

I am especially proud of the fact that Osborne constituency is home to the Kiwanis Centre for the Deaf. My first full-time job was as a residential counsellor at the School for the Deaf. See, I go back. I have many close friends in that unique community and I have watched with great interest over the years as they have grown from a dependent community answering to hearing people to a community that has taken responsibility for itself, to a community that is demanding that it be given responsibility for its own management.

A couple of years ago, a bunch of my former students organized a thing called Deaf Pride Week and they held a big conference here in Manitoba and they celebrated the fact that they were deaf. I will compliment the former Government who acted very proactively through the Manitoba Telephone System to provide communication

links for the deaf community, through Community Services and through Health to provide funding for the interpreter referral service so deaf people could speak on their own behalf or through an interpreter to Government and to other professionals.

There is a problem right now in that community, but I am pleased to report to the House that the Minister of Housing, the Honourable Member for Riel (Mr. Ducharme), has been exceptionally open and prepared to work with me in solving this problem. I thank him for that and the deaf community thanks him for that. There are some examples of open Government, and his action to date has pleased me and it has certainly pleased the members of the deaf community.

Shortly I am going to be coming forward with a resolution that calls upon this House to recognize American sign language as a language distinct and separate from English. Now the resolution is being drafted right now by members of the deaf community, and the resolution during the campaign was supported by a representative of the Conservative Party and by a representative of the former Government. I am going to be asking Members of those Parties to join with me in sponsoring this resolution because I think it is a very important time in the evolution of the deaf community, a time when they want to have their culture and their language recognized. I think it is time that this House did so.

My constituency is also home to the Municipal Hospital and we are looking forward to the construction of a new hospital this year—I was pleased to note in the capital budget for the Department of Health. Nowhere do you see the need for the emphasis on services to senior Manitobans more than you see it at the Municipal Hospital. Nowhere do you see more graphically the results of a population that is continuing to age. The fastest growing group are seniors over the age of 85 and I think that is something to be celebrated and welcomed. I hope to join them. I hope to make it past that mark, but I hope that when I do the supports will be there, that if I become a little frail or if I cannot hear as well or I cannot climb the stairs or if I cannot go out and shop, that this Government will offer me something.

They are not doing that right now. They are cancelling a service in my riding, a service that has been offering service to the senior citizens of that riding for the past four years. It is a good service and the people like it and they support. This Government promised to support it for a year and they are not. I get thinking about that and it just enrages me, but I am not half as mad as some of the people in my constituency. Some of the people in constituencies all the way down the south received a letter from the four Conservative candidates signed by all four of them that said we will support this service for one year, and they have not done so. They have not even come close to doing it.—(Interjection)—The Honourable Minister of Finance says that is not true. I realize that a dispute over facts is not perhaps a point of order, but I would be quite happy to step outside the Chamber and show him the letter and say exactly the same thing, because you have not done it. You have not even come close! You did not live up to

your commitment! You did not come near your commitment! It was your commitment for one whole year's funding.

Mr. Speaker, 20 percent of my constituents are seniors living on fixed income. Their federal Government has increased the price of drugs. They now want to raise the deductibility for Pharmacare. I have not had just one phone call or two phone calls or 10 phone calls, I have had hundreds of phone calls about the Pharma card, ever since my Leader first proposed it. The time for it is overdue; the people of Manitoba need it now. Our seniors need it now! It is an administrative change.

Just to come back to the Municipal Hospital—because I do want to mention one group of people there—there are a group of people who live at the Municipal Hospital who are the victims of the 1950 polio epidemic. One individual in particular has been a close friend of my family ever since I was a very young child. These people, many of them, cannot move anything other than a finger and perhaps their head a little bit, yet it is fascinating to spend time with them. I go back to the hospital quite frequently because they are interested in what is happening in this province. They watch Question Period, they watch the actions of this Government, and they are never shy about commenting on their behaviour or mine. It is very refreshing to see people who have so little, yet feel so good and so strong and so exciting.

* (1650)

Mr. Speaker, I am pleased to have this opportunity to speak on the Budget. For unlike the Throne Speech, the Budget is a substantive piece of work. In the words of the Minister of Finance (Mr. Manness), when he was the critic for Finance, he commented that the Budget is the most important document that the Government lays before the people of Manitoba. It is the Budget that turns into reality all the rhetoric of the Throne Speech. I think it is fair to say that it is in a Budget that the values of a Government are exposed, that they come into the light.

It is my opinion that this Budget is a complete failure in every way and by every objective test that you care to apply to it. It fails to address the economic realities that confronts us in this province today. It fails to shelter vulnerable Manitobans from the downturn that the Budget predicts is coming. It fails to show to youth from the high unemployment that the Budget predicts will be a result of a downturn in the economy.

Mr. Speaker, it fails to address the central concern of the very people that threw the last Government out and voted them into office. What did we hear as we went door to door? What did people say to us? They said you are taking too much money from us, you are taking too much money from us; cut back, slim down, give us some back.

It fails to address many of the campaign commitments that the Government made. I think, most interestingly of all, it fails the values that the Government Party has always said it stood for. The Government has failed itself.

Mr. Speaker, this Budget is a short-sighted attempt to hold onto political power at all cost. It is not built on values. This Budget is a monument to political tactics, tactics over beliefs. Surely politics, devoid of values, lead to ruin. This Budget is a cynical attempt to maintain power. It is a celebration of everything that is wrong with our political system.

As I mentioned to the Honourable Member for Arthur (Mr. Downey), a number of people, politicians, experienced civil servants, members of the media, have commented to me that tactically this was a good Budget. There was very little to attack in it. It did not change much. They kept it pretty much the same, so how could you possibly vote against it?

Well, Mr. Speaker, my Leader voted against this Budget the last time it was presented in this House. The very thing that is wrong with it is that they have not changed very much. They have not taken any substantive action on anything. Where is the leadership in this Budget? -(Interjection)- No, I have read it; I have read every word in this Budget.

Now, Mr. Speaker, the Honourable Member for Portage La Prairie (Mr. Connery) asks me if I am going to vote against this Budget, and I must assure him in every way I possibly can that I, in fact, am going to vote against this Budget.

Some Honourable Members: Hear! Hear!

Mr. Alcock: Mr. Speaker, I am going to call upon him to vote with me because this Budget does not represent the statements that he has made in the past.

The economic future in Manitoba in the short term is not promising, despite what the Finance Minister (Mr. Manness) claims. Even the Finance Minister has referenced the problems as he mentioned that it appears that growth may be significantly lower and possibly below 2 percent. There are those who suggest that we will be lucky to reach 2 percent and could, given several events which I will reference shortly, slip into negative growth if we are not very careful.

What then? Where is the bold new vision for Manitoba? Where is the economic leadership? Where is there any leadership in this Budget at all? Limestone is at an end and the push that it had given the economy is over. The major impact of the drought will soon be upon us, and what then? What has this Government created that will lead us through difficult times ahead? How has it prepared us for that?

The American election is near, as is our own federal one. With those two events, the usual political business cycle wherein Governments manipulate economic policy is in full swing. The major American forecasters talk of a significant downturn next year, once we are past the election. They talk about interest rates accelerating to a peak in mid-'89. These events taken together make the short-term economic future very gloomy. The suppression on investment, the suppression on consumption will be considerable.

How does the Government propose to address this? Where in this Budget is the vision? Where is the

leadership? How are they going to get us through that? I am really unsure which economic theory the Government subscribes to, if any. It is really difficult to determine, when you read their Budgets and the statements they have produced in the past and the supporting statements they put forward for this one. They seem to have a fascination with the deficit and they spout a strange sort of Chicago-school kind of neo-classical monetarism. There seems to be that kind of foundation to it.

I will give them credit for one thing.- (Interjection)- The Minister of Finance (Mr. Manness) says it does not come out of Chicago, because he probably has not bothered to read anything on economics. But I will give him credit for one thing now. I will give the Finance Minister credit for one thing. He has not wasted our time with Laffer curves and supply side, and he has only briefly referenced trickle-down and all the nonsense that carries with it.

They deride Keynes. They have attacked the previous Government over and over and over again for what they call a fascination with Keynes. They describe it as a socialist fascination. But if not Keynes, what? What are they proposing is the solution to the problems that face us?

How does this Budget prepare us if the economy goes into a recession? We need some leadership and we need the leadership now. We need it this year, not next year, not two years from now. Where is the leadership in this Budget? I cannot find it.

The Premier (Mr. Filmon) has stood in this House over and over and over again and given this blanket endorsement of Mulroney's American deal. The Member for St. Norbert (Mr. Angus) has asked him over and over again, what are you going to do to protect the Manitobans who are going to be hurt during this? He stands up and he says, all the economic studies I have ever seen say that this will be good for Canada. He should read some more studies and he should listen more closely to the question because the question is how is he going to protect those people who are harmed by Mulroney's American deal?

Several of his colleagues across the country have recognized the problem and they have gone to the federal Government and they have negotiated help, because they recognize that sectors of their economy are going to be very seriously hurt by this deal. Why has our Premier (Mr. Filmon) not done the same thing? Why is he unwilling to act on behalf of those people who are going to be harmed by this deal?

On the social policy side, what kind of community does the Government foresee for Manitobans? If there is one thing I fear about this Government, it is their lack of understanding of some very fundamental issues.

* (1700)

I would ask the Honourable Member for Portage la Prairie (Mr. Connery) to listen carefully to this.- (Interjection)- I know that, but I am asking somebody else. I would like to tell the Honourable Member that pay equity is not a socialist plot. Pay equity is not an

attempt to overthrow anybody; it is an attempt to guarantee equality among people and equality to all people.

An Honourable Member: In the private sector, not just

Mr. Alcock: Yes. I think eventually pay equity should be in the private sector. It should be in every sector of our economy. You do not have to spend a very long time in the social services, as I have in this province, to understand a fundamental fact of life in this province. That is that single women with children are treated shabbily. They are treated shabbily for all sorts of reasons. The one is that the kind of jobs that they are offered and the kind of supports that they are offered are below minimally acceptable standards. I will give this previous Government some credit for at least trying to sort out that problem.

Pay equity is something that is being accepted in the most right-wing jurisdictions in the United States. It is something that is being debated actively. When I was at school before the election, we talked about it all the time, even in "C" school classes. We talked about the effect of it on income security and the effect of it on economic development.

I would like to address this to the Honourable Minister of Community Services (Mrs. Oleson). Day care is not an assault on the family. It is an attempt to respond, in a responsible manner, to the major change in the nature of family life that we are experiencing. We are not attempting to take families apart. We are attempting to make it possible for people to go to work, secure in the knowledge that their kids are well cared for and not have to fear that. That is why the regulations are important. That is why the legislation is important. That is why the supervision is important, so that when people go to work, they know that their kids are going to be safe.

I had an experience in my own family with that day care, you may recall in Charleswood, where there were all the accusations of abuse. My sister's child was in that day care. I know the pain that they went through as they sorted out the problems that existed there.

There are major changes under way in our families and in our communities. That is not a new thing to say, but it is a startling thing when you sit from the perspective of a child welfare agency and you try to sort out why all these children are coming into care. Part of it is because the nature of family life has changed, with successive divorce and remarriage and blending of families and both parents working. I mean, both parents working, I have heard Members opposite criticize, as though it was some sort of unnecessary evil, some sort of luxury.

I think any study you undertake will suggest that families cannot live on one income anymore, that the second income is no longer a luxury. It is no longer for the TV and the VCR; it is to pay for food and to pay for housing. If that is the way we are going in this economy, then we have got to address the needs of our children for care.

Is it not time when we talk about equality that we move beyond the chairman-chairperson kind of dialogue that the Honourable Minister for Culture, Heritage and Recreation (Mrs. Mitchelson) prefers to focus on? Is it not time that we put all that behind us and just talked about equality, and just celebrated the fact that women are assuming power in our community and forcing us to deal with issues like peace and the environment? They are forcing us to face things that we never faced before.

Something that sticks firmly in my mind is an experience I had when I first started work, when I went to work for a centre for disturbed children. This was back in the early Seventies. We worked then with children who were considered to be the most disturbed children in the province at that time. We had psychologists, we had psychiatrists and we worked very hard to try to meet the needs of these children. We conferenced each child with professionals every week. Not once in the two years that I worked there did we ever discuss sexual abuse of children. Yet, today, that would be the very first thing we would look for when we saw a child behaving in the way that those children are behaving. I believe firmly that the only reason we are discussing those issues today is because women have achieved power and forced us to listen to them.

The Government seems to think that they can do exactly as they please, and that the people will not notice or that the people do not care. The remarkable thing about that is that was the attitude of the previous Government in its later life. It was the previous Government, around the Autopac thing that said do not worry about it. We will suppress the rates before the election. We will have an election; we will get a Government and then we will raise them any old way we want, then the people will forget about it before the next election.

Well, they got caught on that. They got caught badly on that and you would think that the Members opposite would learn from that experience. But they seem to feel that if they change a few tables, recalculate a few percentages, push a little debt this way and pull a little debt that way, we will be so dazzled by this that we will simply accept it.

I think the Premier (Mr. Filmon) and the Finance Minister (Mr. Manness) commented best in their comments to this Budget a few months ago. The then-Leader of the Opposition, on Monday, February 29, said does the Finance Minister honestly believe he can dazzle the citizens of Manitoba with statistics and rhetoric and avoid responsibility for his fiscal incompetence? Does the Finance Minister believe that? When he was Finance critic, the Honourable Finance Minister (Mr. Manness) said I believe that the Minister of Finance and the Government have hurt their credibility to a large degree in the manner in which they brought forward the numbers and the supporting figures within the Budget document itself.

Let us apply their test. Is their Budget any more open, any more credible? We have a really unique opportunity, given the existence of the previous Budget for the same fiscal year, because it allows us to look at some things that we would not normally be able to look at.

The very first thing that stands out is the fact that in total dollars the Conservatives are proposing to spend more than the defeated Government. It is absolutely incredible when you stop and think about that one fact. They are going to spend more! After criticizing the former Government for being bloated and fat, they are going to spend more dollars.- (Interjection)-

Some Honourable Members: Oh, oh!

Mr. Alcock: Well, explain that to me. They stood up.- (Interjection)- No, no, you cannot disguise it; you cannot shut it down. You just cannot do it. You stated during the election that you would provide better management by reducing waste and duplication and streamlining Government. Well, if you are reducing waste and streamlining, why is it costing us more? Why? It makes no sense. If you are so efficient, why has spending gone up in the Premier's (Mr. Filmon) Office? If the former Government was bloated and fat, why do you need more money?

Last year, the Opposition called the then Budget, the then tax increases, the '87 tax increases, as my friend, the Honourable Member for Fort Rouge (Mr. Carr) has referenced, the biggest collective mugging of the taxpayer in history. Then, when speaking on this Budget in this House, the Premier said the Bandits of Broadway have struck again. Well, if the former Government were the bandits, then the present Government surely are their accomplices because they have kept that money and done nothing to save us from a further mugging.

* (1710)

What about their bold new initiatives? In agriculture -(Interjection)- yes, I am getting up there. That is about as high as I can get on this Budget, but I will try. They have asked me to be a little gentler with them and I will try. I realize they are new Members and a little sensitive about this. I would be too, Mr. Speaker, had I brought forward this Budget.

In the area of agriculture, the Finance Minister (Mr. Manness) and his Budget makes much of the \$18.3 million that is there. He references it several times. He admits that it is actually \$3.8 million because \$4.5 million of it is federal funds. What is absolutely amazing to me is how, all of a sudden, \$13.8 million of relief in '88 is to be celebrated when, in 1987, when the NDP brought forward a \$14 million program, they said Manitoba farmers cannot survive with the kind of commitment the NDP are willing to give them.- (Interjection)- Mr. Speaker, excuse me. Do you know something? The Honourable Finance Minister may be right. He might have said it in 1986, but I will send him the copy of Hansard. I have nothing to add to that statement.

I was relieved to see that the Department of Health received a substantial increase. I am at the same time a little concerned about where it is being applied. If we do not move quickly to reduce our reliance on institutional forms of care by developing community clinics and expanding home care, the total cost of maintaining our health system will indeed overwhelm us. The Health Minister (Mr. Orchard) sits there day

after day and professes his concern. He says, Mr. Speaker, I feel for these people, I feel for this group. That is all he has brought forward so far.

Mr. Speaker, in Community Services, the Government has made much of its funding in this area in an attempt to cover its uncomfotability and lack of knowledge. At the same time, I have some sympathy for the Minister because she is correct when she says that she did not create the problems she now faces. It was the previous Government with its contempt for private agencies that squeezed them so dry they are all carrying huge deficits. Even then, they only included enough to get by in one more year in the defeated Budget. This Budget carries with it the promise of increased funding for child abuse, and a concurrent \$792,000 decrease from what the previous Government would have put forward that was considered to be inadequate. I am really looking forward to Estimates to start tomorrow for an opportunity to sit and listen to the Minister of Community Services (Mrs. Oleson) explain that to me, because I know that Budget. If there is any Budget in this Government that I know, I know that Budget.

What about the absolutely shameful circumstances in foster care? What is happening in foster care right now? What is it that is behind the stories that we hear? I can tell you, Mr. Speaker. There is a decade of neglect, a decade of relying on the good feelings of people who care for the children of Manitoba, a decade of inadequate increases, not just the previous Government but the Government before that.

In fact, again to give the previous Government a bit of credit, although I seem to be doing this a tad too often - (Interjection) - I will give you credit. It was an extremely well-run portion of the Government, I might add. The previous Government did attempt, at least in the early stages, to increase the foster care rates at a rate in excess of inflation, but I do note that the Minister of Community Services (Mrs. Oleson) is correct when she says they have not done that in the past few years. What is the situation in foster care now? If you take into your home a four-year-old child, we will pay you less than you will have to pay to kennel your dog if you go away for the weekend. If you place that same child who you are caring for 24 hours a day, seven days a week, feeding and clothing and housing into a family day care, the Government will pay a third again more than they will pay you to that day care.

The foster parents are a very patient group of people, and they have been working very hard and very carefully on this problem for a very, very long time. Shortly after this Government got into office, they told them that there was a problem. They showed them the studies. These people are not asking for wages. They are just asking that we cover the costs that they incur providing care to our children, children who we as the Province of Manitoba take responsibility for. I get the absolutely horrifying sense that the Members opposite choose to take this as a labour-management negotiation. They offer them an insulting increase given the history of this problem. They had a \$111 million windfall and they offer them \$1 million. They offer the foster parents \$1 million. Before this moratorium is over, they are going to spend many, many millions of dollars. Why not do

it now? Why not help take responsibility for our children?

I have talked about seniors before and the Government has announced a new initiative, an initiative that we had announced also. We think they are right to create a directorate for seniors. We think it is time that portion of the population be recognized and some proactive steps be taken to coordinate Government services for them, but it is a little confusing why their only action is to provide the money to hire more bureaucrats. They seem to be able to find the additional resources for that, but they cannot carry through on their campaign commitment to the seniors' transportation service. They cannot find the money to support a direct service to seniors in this city.

The Finance Minister (Mr. Manness) in his speech and again in this House today said, we are not raising income tax. Wow. I am very excited about this. This is a major accomplishment. If you read the former Budget, it says exactly the same thing. It says, no increase in personal income tax, so what have we gained by electing that Government?

They have also decided to step back from a tax increase that has the effect of giving Inco \$10 million. Now there is not enough information to determine whether that is really a good decision or a bad decision. On the face of it, as far as I know, Inco was not going broke. So my question is: If you gave them \$10 million, what did you get back? If Manitobans gave up \$10 million, maybe we could have given up \$4 million or \$6 million and helped the foster parents out. But if we gave Inco \$10 million, what are they doing for us? Are they going to open a new operation? Are they going to do something for their workers? Are they going to do something to improve life in Manitoba? Are they going to create more jobs? What did we get back for that?

It is time for open Government and I would like to know. I would like to know what they gave us back for that because I cannot find it. They gave \$6 million to the CPR. Once again, I checked with a friend of mine who tells me the CPR is not going broke, that they could probably manage to pay a tax at the same level as they pay in Saskatchewan. So what did we get when we gave them that money? What did we get back? What is CPR going to do for us as a result of that? Because I know what we gave up.

* (1720)

The Honourable Minister of Finance (Mr. Manness) makes the comment that the CPR will give the money to the farmers. That is wonderful. I am very excited. Why do we not give the money to the farmers and let them give it to the CPR?

I do want to comment on management because if there is anything the Members opposite pride themselves on, it is their ability to be good managers. They are constantly leaping to their feet and saying we understand the private sector, we understand good management.

What private sector company would change its entire Board of Directors at the same time as this Government

has done with many of its own agencies? What company would step away from the continuity that experienced members bring? If you want to appoint some of your own people to the boards, and if they are competent to perform, do so, but let the organization continue. Let it manage itself.

I see that the time is almost upon me, so I would like to just move ahead a little bit.

Hon. James Downey (Minister of Northern Affairs): You have not said very much yet

Mr. Alcock: The Honourable Member for Arthur (Mr. Downey) would like me to continue speaking and I am quite willing to do so if his Leader will give me leave for another hour. I have not gotten into the appendix of my book yet.

I am reminded of an image that the Honourable Lloyd Axworthy once used when describing Manitoba politics during the last two decades.

Mr. Downey: Lloyd who?

Mr. Alcock: Oh, I am sorry. For the benefit of the Honourable Member for Arthur (Mr. Downey), Mr. Lloyd Axworthy was the federal Cabinet Minister in this province from 1980 to 1984. In those four years, he did more all by himself than four Cabinet Ministers did from that Government's federal Party.

The image that he created for me when he was in this House, when he was discussing the history of Manitoba politics, was that the NDP and the Conservatives were like two aging old wrestlers locked in a death grip, that momentarily one of them got an advantage and then quickly the other would get it with the result that nobody moved anywhere; that for a while we beat up business and for a while we beat up labour, but the net result is nothing changes for the people of Manitoba. Am I being too harsh?

Let us examine the evidence. One of the first acts of the new administration was to cut funding to the Labour Education Centre. Did they do that because they were possessed of a study that recommended that? Did they do that because it was not providing good service? Or did they simply cut it because it was associated with labour and therefore with the former Government? If that is the reason they did it, how are they different from the former Government?

They cut funding to Community Places grants in NDP constituencies. Did they do that because they had management studies that showed them they were poor projects, or did they do it because the recipients were associated with the former Government? Mr. Speaker, if that is why they did it, how are they different than the former Government?

They released a number of senior employees. Did they do it for cause or simply because they were staff-associated with the former Government? If that is why they did it, then how are they different than the former Government?

During the CF-18 affair, the Leader of the Opposition (Mrs. Carstairs) spoke out strongly in favour of the

tendering system saying that it was fundamental to good Government. And what is the first thing he does when he gets into Government? He gives an untendered contract to his friends. Is there any real difference? We changed the faces, but is there any real difference in how they perform on behalf of Manitobans?

I would like to close tonight, sometime tonight, but I could not close without offering a few comments to the Members on my left. They have announced that tonight they are going to act in a manner to support this Government. In doing so, they are going to vote. Whether they do so by standing in their place or by walking out of the Chamber, they are going to vote to support reduction in services to battered women. They are going to vote to reduce support for northern Manitoba. They are going to vote for increased Pharmacare deductibility. They are going to vote for reduced support for Child and Family Services. They are going to vote for a degradation of environmental protection. They are going to vote for a reduction in pay equity. How quick they are to renounce their values in the favour of political expediency!

I cannot support this Budget. I cannot support a Government that merely perpetuates the cynical, dishonest, hypocritical kind of Government that we have had for too many years. Thank you, Mr. Speaker.

Mr. Jay Cowan (Churchill): Mr. Speaker, I have a feeling this is going to be one of my shorter speeches and perhaps I should explain. The afternoon's business was arranged so that we would have speakers alternate back and forth between the Liberal Opposition and ourselves until the Premier arrives so that he could begin his presentation. He is expected very shortly and I have the honour of filling the short brief period of time between the Member for Osborne's (Mr. Alcock) excellent presentation and the Premier's (Mr. Filmon) speech.

Now that I have my feet, I am not used to making presentations to the Throne Speeches that are shorter than my preambles to questions. However, I never want to give up an opportunity especially and under these dire circumstances to say a word in support of the Port of Churchill and what is happening there.

So while it takes the Premier two or three minutes to arrange his notes, what I would like to do is offer the Churchill community and the port congratulations on the event that they had transpire yesterday in the celebration of the first cruise ship to come into that community. I am certain that all Members in this House congratulate them on that new initiative and wish them well on continued tourism efforts into the community, but more importantly also, wish them well on their efforts to ensure that not only do tourist boats visit that port this year but that grain boats visit that port this year. We will be continuing to speak out on every occasion and in the future at more length than today on behalf of the Port of Churchill.

I did want to spend just one or two moments that were allowed to me to make the comment about the tourism boat and to also tell the people in Churchill and Gillam—I have to tell you, Mr. Speaker, I was in

Gillam this weekend and the people in the community are quite concerned about the impact of the lack of grain shipments on the rail line on their own community.

* (1730)

It is not just the community of Churchill that is suffering right now. There were workers who would have been employed in Gillam, assisting in the shipments had the shipments been made, who are not employed. So it is affecting all those communities along the bay line. I think it is something that we can never lose sight of. I am pleased to have a few minutes to remind all Members here. I am certain that I do not have to remind them all that strongly, but to make the point that we still have to continue to work very hard on behalf of the Port of Churchill.

In respect to the Budget, Mr. Speaker, there are a number of items which I intend to address on the Budget. I guess I will have to wait now until we get into the Estimates review or Interim Supply, and certainly look forward to the opportunity to do that.

With those very short words in this very short preamble to an introduction to my remarks, I will sit down. I look forward to hearing from the First Minister (Mr. Filmon) and the Minister of Finance (Mr. Manness) this evening until the Budget vote. Thank you.

Hon. Gary Filmon (Premier): I thank the Members opposite for the courtesy that they have extended in arranging for the opportunity for both the Minister of Finance (Mr. Manness) and myself to be able to speak in the latter part of the debate today, and for the example that is shown by the Member for Churchill (Mr. Cowan) in setting the high road as the means of debating a Budget here in the Legislature. I appreciate very much the advice he has given and the direction that he has shown.

It is a great privilege for me to stand and to support the Budget that was introduced earlier this Session by the Minister of Finance (Mr. Manness), a Budget that I believe is one of the finest Budgets that has been seen in a long, long time in this Legislature. When you consider the fact that this Budget supports, maintains and enhances services to people in all of the vital areas that we depend upon, that people depend upon, look to Governments for, and at the same time cuts the deficit by more than a third and brings it down to a level that has not been seen since the 1980-81 Budget, I say to you that the Minister of Finance has done an excellent job in a very brief compressed Budget cycle period of time and deserves our commendation and indeed not only the support of this Legislature but of all the people of Manitoba.

As this Budget Debate comes to a close, it is time for all of us who have the privilege to sit as Members of the Legislature to step back from the partisan frame just for a moment. Over the next weeks and months and perhaps years to come, there will be any numbers of issues which will come to this floor as matters of confidence, issues upon which a defeat in the House will mean the fall of this Government. So as long as the Legislature remains in a minority situation, each

vote of confidence will generate speculation and intrigue. The actual Bills and motions will vary. The votes on the Throne Speech, the Budget, Supply Bills, taxation Bills, concurrence in Estimates, are all matters upon which a Government may be defeated. While the name on the Order Paper may change, the basic issues will remain the same.

Manitobans are tired of their elected representatives putting politics before people. Manitobans are asking for positive leadership. They need this Legislature to honestly address the fundamental challenges facing Manitoba. Manitobans are not concerned over which politician said what to who, when. They are expecting that we put aside our partisan differences when we deal with issues that affect all Manitobans.

Our constituents elected a minority Government. It is up to all of us to make it work. It has been said before and it bears repeating—Manitoba is a province that is rich in untapped resources; a province with potential; a province with people who are skilled, innovative and dedicated to bettering their quality of life.

I have on many occasions expressed that belief, shared my hopes with Manitobans inside and outside this House. I have expressed my concern that all Manitobans be encouraged to achieve. I know that I speak for the Members of our caucus, and I trust that some Members opposite feel the same way. To feel otherwise would be a disservice to all Manitobans, a betrayal of the responsibilities that they have placed upon us.

A Government, whether it be a majority or a minority, has the task of not only being responsible in its actions but responsive as well. How easily those words are said, how easily words like "responsible" and "responsive" are used. Perhaps it is necessary from time to time to remind ourselves what we mean when we use those words "responsible" and "responsive." Like most important concepts, I do not think we can remind ourselves too often.

To respond is to give an answer or a reply. It is to react in accordance with. To be responsible is to be accountable or answerable for the discharge of a duty or a trust.

These terms appear straightforward, but all of us in this House are aware of the multitude of ethical and pragmatic decisions which must be made if we are to be faithful to these concepts. It is only the naive or the completely cynical who would suggest that dilemmas do not exist. Each of us must make decisions in accordance with our understanding of those principles. We have recognized on this side of the House that there are no simple solutions. We do not claim to offer any quick fixes. We have presented this Budget as the first step in a long road to reestablish fiscal integrity in our province's finances.

This Budget is responsive to the social needs of Manitobans today and in the years to come. This Budget is responsible in the use of the resources available to protect and enhance social services while making significant progress in deficit reduction. It is a delicate

balancing act. It is not an all-or-nothing leap of faith. It is not an irresponsible or a naive all-things-to-all-people approach. No one would be happier than I, or my colleagues would be, to have unlimited funds to do all things for all people, but that is simply not possible.

We have made decisions, difficult decisions, in accordance with our election platform and our commitment to put Manitoba back on a sound, economic base. If we are to be criticized for being prudent, so be it. If we are to be criticized for believing that funding for social services flows from a healthy, vibrant economy, so be it.

Our intentions have always been clear to the people of Manitoba. We promised efficient management. We promised to maintain social services. We promised to reduce our deficit. We promised to reduce the payroll tax. We promised not to increase personal taxes. We have delivered. In this Budget, we have delivered.

My Government has produced a Budget designed to provide the highest possible quality of service to Manitobans at the lowest possible cost. We have created a Budget to which the terms "responsive" and "responsible" can both be accurately applied.

We have responded to the needs of the elderly who require personal home care. We have responded to the legitimate concerns of family members who want their ailing and elderly relatives to be comfortable in a safe and home-like environment rather than in a hospital setting.

We responded to this pressing need by providing \$45 million for home care services while increasing our budget for personal care homes by \$14.8 million to a total of \$181 billion. It is clear that such an expenditure will not only help families in need but the monies will also help to free up acute care beds in hospitals currently being used by geriatric and chronic care patients.

* (1740)

We have responded to the very deep concern and anxiety expressed by Manitobans about the lack of funding available for health services provided in our hospitals and in our community health centres. What are we saying to the patient who has been waiting for weeks and sometimes months for elective surgery?

We are saying that this Government will provide an increase of \$52.5 million for hospital and health care centres. We will provide an additional \$27.9 million for our medical programs. We are telling Manitobans that we will be giving a 9.1 percent increase to our total Health budget—a 9.1 percent increase that is considerably higher than the rate of inflation; in fact, it is more than double; an increase desperately needed to help address some of the most critical areas of identified need in our health care system.

What else are we doing to respond to the expressed health concerns of Manitobans? We are listening not passively, with words going in one ear and out the other, but we are actively listening not only to the consumers of our health care system but to the experts who understand the intricacies and the complexities of medical service.

We have set aside a half million dollars to create a Health Advisory Network comprised of representatives from Government, health care professionals, administrators, workers and the public, the consumers at large, with a mandate to hold public consultations and to recommend a health care action plan for the 1990s. We are listening, we are planning, and we are acting because that is responsive and that is responsible.

We are spending money on preventative measures. We wish to keep people well, not just to treat them when they are sick. We will be spending \$100,000 for a badly needed new Youth Drug Abuse Program. We will be spending \$150,000 for an Industrial Health Promotion Program. We are responding not just to existing needs but to anticipated areas of need.

During the election campaign we indicated our awareness, our concern for the quality of education that our young people are receiving. At no time did we suggest that our children were receiving less than excellent instruction. Quite the opposite.

We also recognize that to stand still is to regress. We are committed to ensuring that this does not happen. We have provided \$792 million to ensure that our students continue to receive quality instruction in well equipped institutions. We have recognized that independent schools require greater support. We have increased this funding to 40 percent of the equivalent cost in public schools. That is not as much as they would like but it is more than the previous Government committed and again we believe that we have taken a reasonable, moderate and responsible position on this issue.

We have dedicated \$300,000 to a task force on literacy to help those individuals who cannot read or who want to upgrade their skills. It is tragic when a person lacks the skills necessary to compete in today's dynamic marketplace, but if people lack the most fundamental of skills—reading and writing—then the situation is even more disastrous. We are beginning the process to effect change. It will not happen overnight, but it will happen.

Our Government is responding to the educational needs of our society and we have responded in a responsible manner. We know that health and education are of vital importance to all the citizens of Manitoba, but there are others, social and community services, which are essential to the well-being of any strong, compassionate and vibrant society. Our budget for Community Services is up 9 percent to \$195 million. We will be spending \$65 million for social services, a 23 percent increase for day care programs for a total of \$36 million; \$267 million for Employment and Economic Security, including \$205 million for social allowance programs; an additional \$2 million for cost-sharing municipal assistance; an additional \$1 million for training and skill development for social allowance recipients; plus the creation of a Senior's Directorate, and an Urban Native Strategy to assist in the transition of Native people who want to live in the city.

Members opposite, to all of these initiatives, Mr. Speaker, have said, it is not enough. They said we

should be putting more money into higher rates for foster parents. Nobody knows better than I or my colleagues what foster parents contribute to the child welfare system in Manitoba, the care, the nurturing, the love that they supply to turn around positively the direction of many young people's lives. I know. Janice and I have been foster parents in the past. My sister-in-law and brother-in-law are foster parents. My colleagues in caucus, both present and former colleagues in caucus, have been and are foster parents. Like most foster parents, they do not do it for the money. They deserve to be treated fairly. We are doing everything that we can to treat them fairly and responsibly.

To Members opposite, like the Member for Ellice (Ms. Gray) or the Leader of the Opposition, this is not a political issue. It is not a political issue because we are committed to deal with it in a fair and a responsible manner. We have given in these Estimates, in this Budget, a 12.5 percent increase. That raises us and establishes us, continues us as the second-highest level of rates for foster parents in this country.

I want to congratulate the Members of the New Democratic Party because they have not jumped upon this as a political issue. I think the Member for St. Johns (Ms. Wasylycia-Leis) got drawn in a little bit by it and made a critical comment on it, but the fact of the matter is that by and large they have sat there and they have known, as the questions came back and forth from the Liberal Party, that they were playing partisan politics with an issue upon which they did not have solid information, because the Members of the New Democratic

Mr. Alcock: It is just the beginning.

Mr. Filmon: The Member for Osborne (Mr. Alcock) says, it is just the beginning. They are going to continue to play politics with this issue as long as they can squeeze out a vote. I will put it on the record that the Member for Osborne is shaking his finger and warning us that they will continue to play politics with the issue of support for foster parents in Manitoba, because they believe that it is an issue upon which they can squeeze votes out in this province. That is the kind of attitude that you have of Members opposite in the Liberal Party, Mr. Speaker. It is crass, cheap politics, and that is what they are doing with young people's lives. It is the irresponsibility of an irresponsible Opposition.

We have provided 12.5 percent increase, the highest increase that has been given to foster parents care since 1983, \$1.2 million more in the Estimates that go with this Budget, and a commitment to negotiate for greater funding in the future.

Mr. Speaker, they are the ones who are being irresponsible. The Liberal Party Members on this side want to play cheap, crass, partisan politics with the issue. They are suggesting that foster care is based on dollars that are given to families. It is not. They make a commitment, and they make a commitment to do something that is fair and reasonable. They are being offered the second-highest rates in the country and a commitment to negotiate for more. They say that

is not enough. Well, I tell you that they are out there arguing to give rate increases that would give a family who took in three teenage foster children \$21,000 a year tax-free. That is what they want to be giving to the foster parents of this province.

* (1750)

Now that is an interesting concept, because I know that the vast majority of parents and families in this province do not get \$21,000 tax-free to look after three teenage kids. They look after their families in a responsible manner and they do not get anywhere near that level of funding. That is what they want to do. They want to turn this into a partisan political issue for cheap politics because they want to argue for \$21,000 a year for a family to take in three teenage children on a foster care basis. I think that is something that is not supported by the vast majority of people in this province. They want to see us be fair, they want to see us be reasonable, and they want to see us give support to families in recognition of the commitment that they undertake, in recognition of the sacrifices they make because they love and they care for those children and they want to be foster parents.

We have responded to the need for dignity and enhanced quality of life, and we have responded to that need in a measured and responsible manner. This Budget has rejected the short-term fix and implemented programs that will yield returns over the long term. However, even though we have looked forward, our Budget is responsive to immediate concerns. The clearest demonstration of our commitment to respond to immediate needs is in rural enhancement programs. No one could have predicted the climatic disaster that we have seen this summer. The extended drought has adversely affected our farmers and the spinoff effects of their dire situation is and will be felt throughout our economy.

We have responded. We have responded with \$18.3 million for emergency drought assistance and over .5 million more for some drought proofing in particular areas of water need, and \$11 million more for write-off of accounts in MACC because the farmers are in difficulty and because they need our support and our consideration at this time of impending disaster.

Our commitment to rural Manitoba has never been in doubt. We have always recognized the vital importance of agriculture to the economic well-being of Manitoba. In that spirit, we have acted quickly and decisively to help offset the worst effects of the current drought. More will be done. This past week in Saskatoon, all First Ministers agreed unanimously that the drought and the prospect of more dry weather and hot weather next year and the devastation that our farm community is facing are not being adequately looked after by all of the things that have been done, despite our best efforts. Grain stabilization programs, income security programs, special assistance by way of greenfeed and support for livestock producers, crop insurance programs, all of those things together cannot provide the moisture in the areas that it is needed. Next year looks, in the long-range forecast, as though it might be as bad as this year.

Now the Premiers are looking for even more imaginative solutions and those of course, every one of them regardless of which solution is picked, will require money. They are looking at targeted assistance now because there are pockets of people who fall between the cracks of all of these support programs and we are not turning our back on them, we are not abandoning them. We are looking for more and better and creative solutions to solve the problem. These immediate measures that we have announced build upon a program that will yield long-term benefits to rural Manitoba.

Here is an example of some of the things that are longer term in their scope: The reduction of education tax on farm land, to reduce the input costs. Twenty-five percent of the GSE levy on farm land in this province. All farm land in this province has a reduction, so that we put it across the board and we recognize that the input costs to farmers are the important things to get at, so that we overall in the future say to them your input costs are reduced, you will have a more stable economic environment. We have made that commitment and we have put our money where our mouth is in this Budget. We have begun to improve the provincial road network to allow goods to reach market and to improve the ability of farmers in their transportation of their raw materials and finished goods and all of the needs that they have in transportation throughout their communities. An increase of \$7 million in this year's Budget for highway construction, not only good for our farmers but all of the rural areas of Manitoba; in addition, \$4.9 million for distance education. We know the problems of our rural and remote areas in accessing quality education. We are putting our money in support of those initiatives, Mr. Speaker.

Again, we have acted responsibly and with a view to the longer term. Even our harshest critics recognized that the small communities throughout Manitoba are the lifeblood of our province. They cannot be ignored and they will not be ignored by this Government. We have taken steps to enhance their economic prospects both in today's crisis and in the future. As well, we are providing enhanced educational services for rural Manitobans which will result in even greater returns in the future. We have taken care to be prudent with the taxpayers' dollars. We have taken care to be accurate in our assessment of our revenues. We have taken care to dispense those expenditures in a fair and equitable manner. We have taken great care, Mr. Speaker, to ensure that we have established a foundation in this first Budget upon which fiscal responsibility can be rebuilt in Manitoba.

Canada and Manitoba is experiencing the most prolonged economic period of growth in many, many decades. It goes without saying that growth in the gross national product will not continue indefinitely. In fact, many renowned economists are surprised that a levelling or a readjustment has not already occurred. We have a responsibility to ensure that Manitoba is prepared not only for the good times we now enjoy but for the not-so-good times that may come in the future because of world economic forces and the effects on North America of actions that take place throughout

the world or in our neighbours to the south. We believe that in reducing provincial debt, stabilizing personal tax structures, and instituting efficient management practices, that is the best way, the only way, to minimize the negative impact of an economic down turn from forces beyond our control.

There are some, the economically naive, the politically opportunistic who would have us live beyond our means. We hear them everyday calling upon us to spend more money. How about this additional program addition, it is only \$300,000.00? How about this program addition, it is only \$1.2 million more? How about this, it is only \$100,000 million, you know, to provide retroactive crop insurance to farmers in Manitoba who did not take it out? It is only \$100 million more. Those are the kind of questions that we get from the politically opportunistic and the economically naive Members who sit opposite, Mr. Speaker. They demand more services, more funding, more costly expenditure without regard to our overall debt situation. At the same time when all the debate is over and they walk out to the cameras they say, but of course we want to reduce the debt, reduce the taxes, and reduce the deficit along with all of those things. Some of those individuals are responsible for the current debt situation which is unacceptable high.

The Liberal Party, of course, federally has left us a legacy, this country a legacy of debt that is the disaster and the ruin in terms of our future hopes and desires in this country. If our credit rating drops, it will adversely affect our ability to borrow. That is why we are concerned with keeping the deficit down. If more and more revenues are dislocated to interest payments, then we do not have money to spend on social services, on necessary programs in health care or education. They all suffer.

I cannot understand how they can have forgotten that so quickly, because I will read a little later some of the comments that were made by the Leader of the Opposition (Mrs. Carstairs) when she was running in this last election, just April, a matter of months ago, how she said that she could not promise to reduce taxes. Who was it that said we did not know that there was increased revenues? Was it the Member for Fort Rouge, the Deputy Leader of the Opposition (Mr. Carr), who said we did not know there were increased revenues?

The Deputy Minister of Finance indicated that there was a huge increase of over \$80 million in additional revenues that were coming to the Province of Manitoba. He made that statement in the middle of the election campaign. As a result of that statement, the Member for Concordia (Mr. Doer) promised to reduce taxes \$58 million. At that time he was called irresponsible and buying votes by the Leader of the Opposition (Mrs. Carstairs). She said that she could not do that, and now they are saying they did not know that there were these additional revenues.

We can understand somebody legitimately not understanding a situation, but on the record, knowing that there were additional revenues during the election campaign, being caught on the record talking about those additional revenues, and today telling us that they did not know there were those additional revenues,

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and they would not have said the things that they said if they had known—that stretches credibility a great deal in this Chamber and I think it is stretching credibility a great deal out there with the public.

If we were to follow just some of the suggestions of the Members opposite, spending more money, increasing our deficit, increasing the interest costs to people in Manitoba, the howls from Members opposite would be absolutely deafening, telling us that there is no way we should be increasing our deficit, telling us that there is no way we should be increasing the expenditures and all those things. Yet day after day after day during the Budget Debate they keep coming up with new ways to spend money, new ways to reduce taxes and they claim that none of it would affect the deficit. The fact of the matter is if we were to follow

their suggestions we would be irresponsible, and we are not going to be irresponsible. They can be if they choose.

No Government should act as if there is no tomorrow. No Government should mortgage the future of our province because it lacked the foresight, the courage and the intelligence to plan effectively.

I see that six o'clock is just about here and I will break until the evening.

Mr. Speaker: The hour being 6 p.m., and according to the Rules, I am leaving the Chair and will return at 8 p.m.

This matter will stand in the name of the Honourable First Minister (Mr. Filmon).