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of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS

31 Elizabeth II

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Second Legislature

Members, Constituencies and Political Affiliation

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

Time — 8:00 p.m.

THRONE SPEECH DEBATE

MR. SPEAKER, Hon. J. Walding: Order please.

I apologize to the House at being a few minutes late into the Chamber this evening. I was preparing a procedural statement having to do with the dispute in this House at 5:30 this afternoon. I will read it to the House when the Member for Fort Garry is present.

The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, I'd like to raise this matter at this point. I had hoped that the Member for Fort Garry would be present. You're making a statement, Mr. Speaker? I would like to just reserve the opportunity to make a statement when the Member for Fort Garry arrives.

MR. SPEAKER: Fine. The Honourable Opposition House Leader.

MR. A. RANSOM: Well, Mr. Speaker, I don't believe that during the course of the Throne Speech Debate, anyone has the right to reserve the right to speak at any time. If the Honourable First Minister has a point of order which he wishes to raise at some point, then so be it.

HON. H. PAWLEY: Mr. Speaker, the matter I wish to raise is a matter of privilege and it is my desire to make that matter of privilege when the Member for Fort Garry is present.

MR. SPEAKER: It would seem to be a matter of courtesy to the House to deal with the point when the Honourable Member for Fort Garry is present to hear it. I'm sure that the Honourable First Minister would not interrupt a debate to bring it up, but I would recognize him in the space between speakers.

On the proposed motion of the Honourable Minister of Finance.

HON. V. SCHROEDER: It's on that motion that you were referring to?

MR. SPEAKER: On the proposed motion of the Honourable Member for Niakwa.

MR. A. KOVNATS: Mr. Speaker, if I could just ask a question. Inasmuch as I feel that I understand why the First Minister is going to be making remarks when the Honourable Member for Fort Garry is here, I think to counteract some of those remarks, that I was very very upset earlier on in the day with some of the remarks that were made by the Honourable Minister of Mines and Natural Resources. I would hope that when the Honourable First Minister makes his remarks when the Honourable Member for Fort Garry is here, that the Honourable Minister of Mines and Natural Resources will be here so that I can make remarks to countermand some of the remarks that are going to be made by the First Minister.

MR. SPEAKER: Order please. I'm sure that the same opportunity exists for the Honourable Member for Niakwa as applies to every other member of the House.

On the matter of the proposed motion of the Honourable Member for Riel and the amendment proposed thereto by the Honourable Leader of the Opposition. The Honourable Minister of Finance.

HON. V. SCHROEDER: Thank you, Mr. Speaker. I am pleased to take part in this debate on the Speech from the Throne. Congratulations are in order for the Mover, the Honourable Member for Riel, and the Seconder, the Honourable Member for Thompson. Both of these members ably outlined compelling reasons why the Speech from the Throne and the measures it proposes should be supported by all members of this House.

I would like to take this opportunity to congratulate you, Mr. Speaker, for again assuming a most important role in our proceedings and I wish you good health.

As well, I would like to congratulate our new Deputy Speaker, the Honourable Member for River East. I'm certain he will serve ably in his new position.

Mr. Speaker, these are serious economic times for Manitoba and for Canada. One-and-a-half million Canadians are out of work; more than 30 percent of our nation's manufacturing capacity is idle; bankruptcies are high; layoffs and plant closures continue, resulting in increased unemployment and declining production; interest rates continue to be high and appear to have levelled off for the last few weeks but, in relation to inflation, one could make the argument that indeed they have increased because inflation has come down. With one out of every eight Canadians unemployed, it is not surprising that governments across the country are finding themselves with severe financial difficulties. Taxation revenues are down due to unemployment and unused productive capacity and, at the same time, due to increased unemployment, the demand for many public services has increased markedly.

Here in Manitoba, we have not escaped the grasp of the national recession, but our comparative position is strong. The Conference Board of Canada has stated that Manitoba and Saskatchewan will realize the smallest decline in economic growth this year. After being forced to flee this province as a result of the petty, puerile, painful, and pompous policies of the former government, large numbers of Manitobans are coming back and we have an increase of 10,000 in the one year. They're coming back, Mr. Speaker. We have an increase of 10,000 Manitobans and they couldn't do that in four years in office. Retail and wholesale sales in this province have set the standard for the country. Growth in retail sales is higher in our province than anywhere else in Canada.

Our unemployment, while certainly no bright spot, has maintained our stature as the province with the third lowest unemployment rate and we are the province which has had the second smallest percentage decrease in employment, the second lowest decrease

in employment. We remember well, during the Tory years, how we used to be the province that had the lowest increase in number of people employed during that four years. That has turned around. Inflation in Winnipeg is the second lowest in Canada at 7.8 percent compared to the 10.4 percent experienced in most of Canada. Here in Manitoba our aim in all that we have done has been twofold: first, to preserve the foundation of our economy to ensure that we can take quick and effective advantage of the national recovery when it arrives; second, we have sought to protect those Manitobans hardest hit by national, fiscal and economic policies.

Mr. Speaker, in Manitoba, we have done more than almost any other province to meet the challenges we face. We introduced the first comprehensive program of interest rate relief anywhere in Canada; we introduced what is recognized by most observers as the best housing program in Canada - for the month of October, 1982, we have 160 percent increase in housing starts over October, 1981; through freezes in the gas tax, and I would like especially, Mr. Speaker, to draw to the attention of members opposite the gas tax freeze, apparently it escaped their attention when they made their reports to their constituents. They didn't talk about the freeze on tuition fees, transit fares and maintenance for a fourth consecutive year; of the Hydro freeze, despite the fact that Hydro remains in a loss situation. Investment in hospital construction, new homes and other facilities has helped to provide some relief to our unemployed.

The Throne Speech has promised that we are not content to sit back in the difficult times we are in. It outlines the measures this government will undertake to help relieve the burden of recession. In addition to the \$60 million we have already set aside for special employment and housing measures, an additional 40 million is now being allocated to provide additional employment for Manitobans looking for work.

We are proposing the establishment of a Manitoba Oil and Gas Corporation, and we are proposing that close examination be given to allowing MPIC to compete in the life insurance field. Both of these measures should be viewed in the context of insuring the maximum rate of return to Manitobans.

At the same time as we are undertaking these economic initiatives, we will be working to strengthen the democratic institutions and individual liberties we cherish through freedom of information legislation, conflict of interest guidelines and other measures.

I would like to spend some time discussing a topic I know tantalizes the Opposition, the deficit. I would like, once again, to explain to the members of the House how one arrives at a Budget because they appear to have forgotten very quickly. When we took office we discussed with various experts the matter of spending. Well, Mr. Speaker, some of those experts happened to have some very conservative outlooks, Investment Dealers Association, Chambers of Commerce, those kinds of people. We also talked with economists and with the Federal Government. We were told, as were other governments, that it appeared there might be a recovery coming in 1982 and we budgeted on that basis, just like other provinces did.

You know, Mr. Speaker, the members opposite seem to forget that we are part of a country where

things happen and when they happen they happen across the country, and there are some things you can do to alleviate those happenings but you can't do everything. We are not an island unto ourselves. British Columbia had a tripling of their deficit from spring-time to now. Saskatchewan moved from a statement by the Conservative Government that they were in a surplus position in the springtime of this year to a point where a few weeks ago they were several hundred millions of dollars in the red. Quebec went down to over \$3 billion dollars in deficit. There are a number of provinces which, in terms of gross provincial product, have a much larger deficit than we do, but they choose to ignore that. They choose to ignore that some of their very own Conservative friends are having the same trouble in other parts of Canada that we have here.

Once we decided on a maximum amount of course, Mr. Speaker, we then had to decide whether we wanted to spend more, which would mean raising more revenues or staying at that level which would mean eliminating a certain amount of spending. Yes, Mr. Speaker, we chose to go with an additional \$70 million of spending. In order to do that we had to raise \$70 million worth of taxes, and that is where the health and education levy comes in. We get the schizophrenia on the other side coming in when this tax is raised. We hear the Member for Turtle Mountain saying, eliminate the tax. He doesn't say what we should do in terms of cutting back on programming to meet that \$60 million or \$70 million this year and \$110 million next year. —(Interjection)— We'll find it ourselves, Frank, but I think you should, in all fairness, stand up and say where it would be. If you say, Mr. Speaker, that we should eliminate that tax and if you say that \$500 million is too high a deficit, then you have to eliminate more than that tax. You have to go much beyond that in your cuts. If you want a \$400 million deficit and you don't want that tax, that means you have to find \$150 million but other members in that schizophrenic Opposition are talking a different tune.

We hear about wanting more in social services; we hear we want more in drainages for the southern part of the province; we hear we want more for highways. We hear from the Member for Pembina, he wants more money spent on the Manitoba Agriculture Corporation. On the one hand they want a lower deficit, they don't want taxes, and on the other hand, they want more spending. They can't have it all of those ways. Of course, we have the Leader of the Opposition saying, we should cut back more civil servants and, of course, create more unemployment.

It's very hard to see how they would respond if they were a government because as a group they're afraid to tell anyone. They have all these different solutions but as a group they don't have one position that they can stand up and enunciate for the people of Manitoba. They're saying, we'll spend more on highways; we'll spend more on MACC; we'll spend on community colleges.

I was at a meeting the other day with the Member for Tuxedo who was telling high school children that our spending on colleges had increased by 3 percent in 1982. Talk about shading, we've heard a little bit about shading today. We've heard a little bit about shading the truth. You know, Mr. Speaker, that reminds me.

Recently, the Leader of the Opposition issued a press release when I was in Europe condemning the press release that I had issued on Saturday, October 23rd in the Free Press headline: "Lyon blasts NDP Swiss loan claims as form of fraud," and he says we should tell people about exchange rates and that sort of thing. It is strange indeed to hear such protestations from the former Premier of this province, who personally announced on April 21, 1978, the equivalent borrowing by the Manitoba Government of 100 million Swiss francs, to quote directly from the former Premier the man who talks about fraud: "We are particularly encouraged to have such a very good rate of interest." You will note, Mr. Speaker, that in that news release Mr. Lyon made no reference to the tricky situation with exchange rates, none whatsoever.

I can refer members opposite and the public to other arrangements: January 1978, the Minister of Finance announced a \$68 million bond issue from Japan; August 4, 1978, he announced a \$100 million Swiss franc loan; February 9, 1979, he announced a \$75 million Eurodollar bond issue; April 27, 1979, he announced a \$50 million borrowing in Japan; June of '79, the Premier announced in the Legislature the signing of a loan agreement in Switzerland for 100 million in Swiss francs and not once did he talk about the tricky situation with respect to the exchange rate. Not once, Mr. Speaker, did we run around accusing the Premier of this province or the Minister of Finance of fraud, because we full well knew that if you borrow in francs and have to repay in francs, that there is a question of exchange rates and Manitobans know that too. Manitobans know that.

Mr. Speaker, that very same former Premier, and alleged Leader of the Opposition made a reference the other day to an answer I had given on May 25th, 1982 to a question asked by him where I said that the Federal Government had indicated that they were prepared to pay the tax, the health and education levy. As we are all aware, we've had some problems with it later on, but rather than come to me in question period and say - why did you say that? - he stands up and claims that I am shading the truth, that I am saying something false rather than asking me on what I based my statement. Well, that was on May 25th. On May 19th, 1982 I quote from the Globe and Mail, and he was quoting a newspaper report to back up his story. I quote from the Globe and Mail, James Rusk, headline Ottawa: "Although the Federal Government does not have to pay the new Manitoba payroll tax, it will still pony up the money. Ottawa likes to be a good citizen of the provinces," a federal official explained. Technically it does not have to pay such things as the employers' share of the Ontario Health Insurance Plan premiums, the Quebec or Manitoba payroll tax or even provincial sales tax, when a federal civil servant eats a meal or stays in hotel rooms when on the road. The reciprocal agreement with Quebec does not specifically cover the payroll tax, however, Ottawa has been paying the payroll tax when Quebec tied into health insurance, and continued to do it after Quebec separated the two.

Very clearly the Federal Government had so indicated, and we did contact the Federal Government as we did all employers in the province with a number of mailings in the late summer and fall of 1982 to let them

know how to go about remitting their funds. Now it is true that the Federal Government decided that they would like, in addition to the same notification other employers received, a personal letter from me, and I sent it. I do not want to fight with them. I sent the Finance Minister a nice personal letter and asked him for it and I'm sure that he will respond with the money shortly. In fact, he has indicated in response to me that he is taking the matter to Cabinet, and we expect that something will happen.

Mr. Speaker, the former Premier of this province also suggested the other day in the House, that the Union of Municipalities recently had a convention where he said they almost unanimously voted in opposition to the health and education levy.

Talk about shading the truth, here's a report in the Winnipeg Sun, November 26, 1982, by George Stephenson. "The province's battered payroll tax gained yet another enemy yesterday when the Union of Manitoba Municipalities voted to ask for its withdrawal. In what appeared to be a close vote, delegates to the Union's annual meeting agreed that the tax should at least not be applied to municipalities." That was the near unanimous vote that your Leader saw and he's the man who talks about shading the truth and you people have to sit there and listen to that I feel sorry for you.

Mr. Speaker, we've had a lot of things waved at us over the last year with respect to promises. When I was on the other side I wasn't continuously saying to the government every time they didn't do something that they had wanted to do, that somehow they were liars. Let's take a look at the promises that they made in 1977, just a few of the ones that they said they were going to do. They said they were going to study a tax credit scheme for mortgage interest payments for first time homeowners; there was no study; there was no scheme. They were going to provide low interest loans to first-time homeowners to encourage purchase of substandard core area homes; no action. They were going to — (Interjection) — I'm sorry, the Member for Pembina has it wrong again but he's been wrong before.

They promised a tax credit system to encourage home improvement; no action, I remember that one. They promised to provide incentives to encourage private sector development of low rent housing; nothing happened. They promised increased career guidance in secondary schools and yet spending reductions eliminated the counsellors who were supposed to give the extra counseling. That's the kind of commitment they had, but we didn't say they were liars, we just said no they're not able to fulfill all of their commitments, we recognized that. They promised on day care, the Member for Wolseley would be interested, minimum standards on staff programs, health, fire safety.

Mr. Speaker, they promised to provide suitable facilities to support the needs of the elderly. Specifically, they were going to build senior citizens homes and that sort of thing. What do they do? They froze it for two years. Did they tell people that? No, they didn't. They said they were going to increase the number of women on provincial boards; they didn't do that. They said they were going to give clerical workers increased access to promotion; they didn't do that. But you

know we can go through the whole list.

We have admittedly not been able to fulfill all of our commitments; we've still got three years to go. In fact, four years constitutionally, and so we will see what will come along in that period of time.

We do know, again, what they did when they were in office. What did they do? Well, they kept a few promises. They promised to eliminate rent controls and they sure did a good job of that. They also said that they would eliminate some civil servants' jobs, and they did that. They said that they were going to decrease spending.

Now, Mr. Speaker, the other day the Leader of the Opposition, the Member for Shady Lane, said that in the first year that they came to office there was an increase in spending of 3 percent. Unfortunately, Mr. Speaker, I have here the Public Accounts of the Province of Manitoba for the year ended March 31, 1979, Volume 1, Section 2-8: actual expenditures 1977-1978 for the Province of Manitoba, \$1,641,630,244.00; 1978-1979 the total \$1,640,857,735; indeed a drop in spending of \$772,000.00. At that time, we were heading towards tenth place in terms of employment growth. We were the province that was losing population. We were the province where employers were not prepared to invest anymore as opposed to other areas. It was the have-not province. We began moving up in equalization payments —(Interjection)—.

The base, Mr. Speaker, was there well before that bunch of incompetents showed up. Oh, and one other thing, Mr. Speaker - I see the Member for Sturgeon Creek is grumbling there. One number that I thought was significant, while there was a reduction of almost three-quarters of a million dollars in total government spending in that year, there was an increase of more than \$60 million, from \$95 million to \$156 million, on highway construction, so we can see the priorities. You know who was getting it in the ear. The Member for Lakeside was there and he was saying, "people will have to understand that we Conservatives have different priorities." He was straightforward about it, no shading there, completely straightforward. —(Interjection)— Well, Mr. Speaker, it is sad to see that the members opposite have so soon forgotten their solution for the economic crisis, misery in heavy doses for everyone excepting highway construction contractors.

Mr. Speaker, I was talking about the health and education levy when I was so rudely interrupted. I'd like to get back to that. You know, Mr. Speaker, we have heard a lot from that group opposite about that tax and we've also heard from the financial community. As members opposite will know, each provincial Budget is analyzed by the major financial houses and I'd like to quote from the reaction of McLeod Young Weir, not a group known for its left-wing tendencies. They said, "The revenue measures display a sound sense of equity and economic judgment. The new levy on employers' payrolls is a particularly astute measure that will directly compensate for reduced federal transfers while at the same time permitting relatively low sales and small business taxes to be left untouched." Mr. Speaker, I am quoting McLeod Young Weir. I wasn't quoting Mel Watkins; I wasn't quoting Cy Gonick.

MR. SPEAKER: The Honourable Member for Turtle

Mountain, on a point of order.

MR. A. RANSOM: Yes, since the Minister has quoted from a publication, I wonder if he would identify the specific publication.

MR. SPEAKER: The Honourable Minister.

HON. V. SCHROEDER: Mr. Speaker, I will be glad to table it. I have a copy of it in my office. I have taken the quote out of it onto my paper here. It is a document that came forward shortly after the Budget and it is a document that was printed for widespread distribution in the financial community, just as their document with respect to the Ontario and other budgets has similar circulation.

Now, Mr. Speaker, I do want to raise the matter of the reason for the larger deficit at this time, because we have heard people opposite suggest, and maybe they didn't read the Quarterly Report very carefully, that it is because our spending is out of control. Now Standard and Poors, the financial rating agency is saying, no, that's not the problem; the problem is revenue drop, just as it is in other parts of the country. I want to assure the House that our expenditures for the year 1982-83 will not be over the amount quoted by the Legislature to anywhere near the extent that occurred in the year 1981-82 when that group had control of the paystrings of the money in this province. Indeed, the Member for Churchill says, they didn't have control and that could well be the case.

One of the problems that we faced, one of the reasons for the situation we are in right now is high international interest rates and I am looking specifically at the Member for Morris because he made a good speech yesterday. I congratulate him for it. I know he believes what he was saying was true. He knows that I honestly disagree with his position. I want him to know and members of the House to know, Mr. Speaker, that there are others who disagree with his position, many many others. In fact, I believe they are now becoming a majority.

I have here a document from Pitfield McKay Ross, well-known socialist organization, and that happens to be their, I believe, November issue. "Inflation, Recession and U.S. Monetary Policy" is the heading. On Page 1, "The severity and persistence of this recession is attributed mainly to the restrictiveness of U.S. monetary policy in an environment of recession and moderating inflation. The sustained bout of high interest rates that prevailed through most of the recession exacerbated existing difficulties, both domestically and internationally, and further impaired the ability of all debtors to redress the deteriorated state of their financial affairs. The reality is that interest rate levels in North America remain too high to precipitate a broad-based financial and economic recovery. Historically high levels of real interest rates have emerged in the U.S., as the moderating trend in inflation to date has outpaced the decline in normal interest rates.

"We believe that recovery prospects in North America are conditional upon further declines in interest rates that will precipitate a financial and economic recovery in the months ahead."

That is Pitfield McKay Ross.

A MEMBER: Do you believe it?

HON. V. SCHROEDER: I believe that one of the reasons we are in the position we are in right now in North America is the fact that we have had a tight money policy in Canada itself for many years, in the United States since before Reagan. It is true.

MR. C. MANNES: Do you believe that a 5 percent interest rate would cure our problems?

HON. V. SCHROEDER: Mr. Speaker, I have heard that argument. The Member for Morris asks whether a 5 percent interest rate would cure the problem. I believe that if there was a feeling on the part of the populace that there was going to be a reasonable interest rate for the foreseeable future, that you would see people buying, investing in houses, buying, investing in businesses, in farm equipment, etc. What you do with the policy that they want is to kill the economy and then they expect that somehow out of the ashes they will develop something that won't have inflation, no inflation. All recognized respected economists are saying now that it doesn't work. Even your friend, David Stockman, —(Interjection)— Is he not their friend? He was certainly a backer of President Reagan. Even David Stockman is having second thoughts.

Mr. Speaker, I see the Member for Fort Garry has come in. I had told him this afternoon after he finished speaking, that was the most shameful disgusting display I had ever seen him carry on in this House. I was embarrassed practically to be in the House when he was making those statements. Then, Mr. Speaker, when he made those statements that he was making —(Interjection)—

MR. SPEAKER: Order please.

HON. V. SCHROEDER: He was doing so - just for instance, he was attacking me because of the fact that I said that —(Interjection)— I don't mind fair attack. You can attack me on questions where we have differences, but when he has sat through a Legislative Session, passed an Act dealing with the health and education levy, which very clearly stated that the funds being collected would go into General Revenue, and he then goes back and suggests that somehow I was being devious when I said that we needed money for health and education.

Now, Mr. Speaker, it was just a few months ago, less than a year ago, that we had a problem with respect to decreases in funding from the Federal Government. We're all aware of that; you people were involved with that. We had to work on it too. We're all on the same side of the fence on that issue. We had a drop in revenues; we had to have an increase in revenues. The Member for Fort Garry was not a member of this House when the sales tax was brought in but the man sitting beside him, the Member for Shady Lane, knows full well that when they brought in the sales tax in 1966 they were using that for education tax.

MR. SPEAKER: Order please. Order please. Order please.

It is accepted as a courtesy in this House, I believe, that members should be addressed or referred to by

their proper constituency or by their ministerial title, if the Honourable Minister would bear that in mind.

HON. V. SCHROEDER: I withdraw that and refer to the Member for Charleswood.

MR. SPEAKER: Order please. The Honourable Member for La Verendrye.

MR. R. BANMAN: Mr. Speaker, on a point of personal privilege, the Minister of Finance has just stated that his particular tax that he introduced, the 1.5 percent payroll tax, was going to go to provincial revenues; in other words, general funds. In the addendum attached to his Budget Speech he indicates and I quote, Mr. Speaker, "Any major revenue increases on this new tax have the effect of increasing the costs facing Manitobans. However, the funds raised through the levy for health and post-secondary education will be fully extended to these priority areas, thereby contributing directly to the maintenance and enhancement of the quality of life in Manitoba."

Mr. Speaker, the Minister of Finance has misled the House by his statements just right now.

MR. SPEAKER: Order please. Order please. In order for a member to have a proper point of privilege he must move a substantive motion at the end of his remarks to that end. Since the member did not, he did not have a point of privilege.

The Honourable Minister of Finance.

HON. V. SCHROEDER: Thank you, Mr. Speaker. I trust that you won't deduct that gibberish from my time.

Mr. Speaker, this government appreciates the criticism of members opposite; they provide the opportunity to demonstrate the remarkable change in Manitoba since November 17, 1981. A new spirit of cooperation exists between business, labour and government. The government is now open to public input. Those people don't like it, but people out there understand it. We are working hard to get the province free of the economic quagmire that was left to us by the neo-conservative adventurists who sit across the way; a quagmire that has been worsened by disastrous economic policies. The job before us in this government is to show clearly to those outside Manitoba that the acrimonious, tyrannical rule of the members opposite is over; that rule is over. Manitoba is again ready to grow and to prosper. This Throne Speech and the many important initiatives already undertaken by this government point us clearly down the road to a better Manitoba.

MR. SPEAKER: Order please. I have a short procedural statement to read to the House.

Just before the 5:30 p.m. dinner break, there was a dispute between members of the House. The Member for Fort Garry referred to the subject matter of a privilege motion dealt with on December 7 and the Minister of Community Services and Corrections and of Natural Resources rose on a point of order. Although I ruled on the matter without the benefit of perusal of Hansard, it is possible that my remarks were not sufficiently clear.

I ruled, "The matter was brought up as a matter of privilege in this House within the last two days. That should have concluded the matter. In order to clarify the matter, I've had the opportunity to check Hansard and Beauchesne, and have a written statement.

On Tuesday, December 7, the Honourable Member for Fort Garry rose in his place on a matter of privilege and moved, "THAT this House do censure the Minister of Community Services and Corrections for a serious breach of its privileges of its members by misleading its members in the matter of establishment of an enquiry into conditions at Headingley Jail." This motion was debated and resolved by a vote of the House. Shortly before 5:30 p.m., the Honourable Member for Fort Garry made reference to the subject matter of that privilege motion."

Beauchesne's Fifth Edition states, in Citation 313, "A member may not speak against or reflect upon at any determination of the House, unless he intends to conclude with a motion for rescinding it."

Further in the Citation 315, Sub. 2, "It is irregular to reflect upon, argue against, or in any manner call in question, intimate in debate, the past actual proceedings of the House on the obvious ground that, besides tending to revive discussion upon questions which have once been decided, any reflections are uncourteous to the House and irregular in principle, inasmuch as the member is himself included in and bound by a vote agreed to by a majority," and it seems that reflecting upon or questioning the acts of the majority is equivalent to reflecting upon the House." The reference there is also given as May, Page 4, 24.

The remarks of the Honourable Member for Fort Garry, although in the full flight of his oratory and at the climax of his remarks were clearly out of order and the two Ministers were correct in their objections to a matter already decided by the House. Therefore, the Honourable Member for Fort Garry should reflect on his remarks and act accordingly to parliamentary practice by withdrawing them.

The Honourable Member for Fort Garry.

MR. L. SHERMAN: We'll wait.

MR. SPEAKER: The Honourable Leader of the Opposition.

HON. S. LYON: On a point of order, Mr. Speaker. I'm sorry I didn't hear all of your remarks, but I was here this afternoon when you purported to deal with the objection of the statement by the Member for Brandon East. The matter was dealt with; you made a ruling; it's finished; the ruling is finished. There is no ground in precedent or practice for you to go back and say, I've had second thoughts.

MR. SPEAKER: The Honourable Minister for Natural Resources.

HON. A. MACKLING: Rising on the point of order, you will recall that objection was taken by the Honourable Minister for Corrections and Social Services and there was no ruling made. You, Mr. Speaker, indicated that the debate would proceed. I rose and indicated that there was a point of order and addressed you on that point of order. It was then that the member con-

tinued to be allowed to speak without any withdrawal. There was no ruling by the Speaker.

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. A. RANSOM: A point of order, Mr. Speaker. Yes, Mr. Speaker, I would wish to draw to your attention Citation 235, in the Fifth Edition of Beauchesne which says, "Any member is entitled, even bound, to bring to the Speaker's immediate notice any instance of what he considers to be a breach of order. He may interrupt and lay the point in question concisely before the Speaker. He should do so as soon as he perceives an irregularity in the proceedings which are engaging the attention of the House. The Speaker's attention must be directed to a breach of order at the proper moment, namely the moment it occurred." Sir, I suggest that the question was raised this afternoon on a point of order and dealt with and disposed of.

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: On the same point of order. I have before me an informal transcript of the proceedings this afternoon. I note that the Honourable Minister of Natural Resources raised the point of order but that point of order was never formally ruled on.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. SHERMAN: On the same point of order, Mr. Speaker, and with respect, Sir, I wish to suggest to you in the House that I was not reflecting on a point of privilege or on a ruling on a point of privilege. The motion of privilege was moved on Tuesday afternoon and it had to do with "answers" given to me by the Honourable Minister of Community Services and Corrections on Monday afternoon. Since Tuesday, a great many further developments have occurred. News reports have indicated precisely what I said this afternoon at 5:20. My comment this afternoon had to do with what happened on Wednesday and Thursday, with reports that appeared in yesterday's Free Press and with reports that appear in today's Free Press and do not reflect on the point of privilege or the vote of the time at all. They reflect on what has happened in the last 48 hours.

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: I again refer, and I will refer at this point, Mr. Speaker, more fully to the informal transcript. The Honourable Minister of Natural Resources clearly directed the attention of the Speaker to the rule to which you have referred in your ruling, namely, that when the particular matter - indeed I'll read the transcript. Yes, Mr. Speaker, this is the Minister for Natural Resources. "It has been a Rule in this House that where another member says that another member has said certain facts and alleged that he has misled this House, that when those facts have been clarified and the matter has been cleared, then the House is bound

to accept the word of the member and no further continued reference to that should take place." That is the Rule in this House and that matter was clear. That's a very clear presentation of the issue by the Minister for Natural Resources. Shortly thereafter, Mr. Speaker, I thanked the Honourable Minister for his support regarding the point that the matter has been concluded; that is that the matter that which had been concluded. —(Interjection)— No, the matter of the privilege that had been raised had been concluded. The rule is that, thereafter no further reference to it may be made and you have cited the appropriate Citation from Beuchesne on that.

Now, you asked the Member for Fort Garry to proceed with his remarks with no further reference to the matter which has been concluded, but you did not rule on the particular point of order. No, and no amount of obfuscations or pettifogging chicanery can obscure the fact.

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. A. RANSOM: Mr. Speaker, if I may respectfully draw it to your attention, Sir, that in the first ruling you concluded your ruling by saying that he has four minutes remaining, clearly, clearly in your mind having disposed of the issue at the time. Subsequently, the Honourable Minister of Natural Resources made reference to a point of order which he was raising. Sir, I refer you to Section 235, Citation 235 of Beuchesne which says that a point of order must be dealt with immediately. Sir, you dealt with that. The House adjourned at 5:30. We are here now at 8:00 in the evening. The point of order was dealt with this afternoon and cannot be raised again according to the Rules of Parliament and the Rules of this House.

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Mr. Speaker, it would be helpful if the Member for Turtle Mountain would, instead of substituting words for those actually used in Beuchesne, refer to Beuchesne. It is true and I would readily admit that the point of order must be raised immediately. Nowhere does it say that the Speaker must rule immediately. There are precedents —(Interjection)— there is precedent after precedent for the Speaker considering the matter which has been raised and then ruling and any suggestion. . .

MR. SPEAKER: Order please.

HON. R. PENNER: Any suggestion that the Speaker is not entitled to consider arguments, may take the matter under advisement and then rule is foreign to the Rules of this House, foreign to parliamentary procedure, foreign to the way in which the matter is dealt with and made.

MR. SPEAKER: Order please. The Honourable Member for Turtle Mountain.

MR. A. RANSOM: The Honourable Government House Leader is indeed correct that on many occasions in

the past, the Speaker has taken questions under advisement and has said that he would rule later. I see no evidence of that in the transcript, Sir, that that was the case here. I do not recall that as having been the case, Sir. This matter was raised, dealt with, disposed of, and just because the government is sensitive doesn't mean that they have the right to breach the Rules of Parliament and bring it back now.

MR. SPEAKER: Order please. The Honourable Government House Leader.

HON. R. PENNER: Mr. Speaker, we are sensitive to the decorum in this House and one of the essential pivotal points around which that decorum rests, is that the rulings of the Speaker must be followed and observed. You made a ruling with respect to the question of privilege. You have now made a ruling that is being challenged, which is appropriate for the Opposition to do. You have now made a ruling, citing citations, that it was in error for the Member for Fort Garry, once that matter had been disposed of, to refer to it again. If the Member for Fort Garry does not wish to withdraw, then your duty is clear.

MR. SPEAKER: The Honourable Leader of the Opposition.

HON. S. LYON: I wonder if I might, Sir, as one who came in after these proceedings started, you were on your feet, ask if I may, Sir, on whose initiation does this matter now arise again before the House, because if there was no communication while the House was sitting - and I can only suggest, Sir, that it would be highly improper for anyone to have had any communication with you over the dinner hour - that would be improper and you, Sir, would be the first to object to it. Then on whose initiation, Sir, does the matter rise, because the matter was dealt with this afternoon? The Minister of Natural Resources raised the point of order which has been read back to us tonight. He was in the unusual position this afternoon, Mr. Speaker, you having made a ruling, that if he wished to oppose your ruling, he then had to challenge the Chair. He chose not to do that. So you, quite properly then, Sir, told the Member for Fort Garry to carry on, not to deal with the topic again, which he didn't, and the matter is finished. You, Sir, as the lawyers would say, are *functus officio* on that issue. It cannot be raised again, with the greatest of respect, by anyone.

MR. SPEAKER: If there is no one else wishing to advise the Chair, it was my clear impression that I had made the point clear when it was raised this afternoon. On the adjournment hour, it seemed that there was still some dispute as to what had happened.

I had the opportunity to read the first draft of Hansard over the supper hour and it was on my decision to write this procedural statement, to come to the conclusion that the Member for Fort Garry had in fact revived the debate on the matter of privilege simply by referring to it. It was further my finding that having looked at Beuchesne, that the proper course of action would be for the Member for Fort Garry to withdraw those remarks.

The ruling stands and I would ask the Member for

Fort Garry, therefore, to withdraw the remarks.

HON. S. LYON: Mr. Speaker, with the greatest of respect, Sir, on the point of order, a football referee can't go back, a hockey referee can't go back, and you, Sir, can't go back.

MR. SPEAKER: Order please. Order please. Order please. Would the honourable member take his seat? Order please. Order please. Order please. Order please.

One of the most fundamental rules of this Chamber is that members do not reflect upon the Speaker and the Honourable Leader of the Opposition knows that as well as anyone in here. The ruling stands.

I will again ask the Member for Fort Garry to withdraw his remarks.

HON. S. LYON: I have not reflected on your conduct yet but if this procedure is carried through, your conduct will be reflected upon, I can assure you.

MR. SPEAKER: Order please. Order please. Order please. The Honourable Member for Fort Garry. Order please. Order please. The Honourable Member for Fort Garry.

MR. L. SHERMAN: Mr. Speaker, I have the greatest respect for you, Sir, and I say that sincerely and I truly believe that you believe that. I must say though, Sir, that I think that I am being put in an insupportable and unjustifiable position with respect to this dispute.

I must say that I suspect, Sir, that leading members of the Treasury Benches have taken some exception to some things I said this afternoon and as a consequence taken some administrative action and I feel, Sir, that has to be destructive of the processes in this Chamber, where one is not presumably under the advocacy of the Speaker who represents all of us, and we are all equal in this Chamber, to speak the truth.

When I spoke this afternoon, Mr. Speaker, I spoke about the incredibility, the non-credibility of this government and I cited a dozen examples and if I'd had a half an hour longer I would have cited 50 more. One of them was an example arising out of a situation earlier this week, which was closed. —(Interjection)— It was closed on Tuesday afternoon. Subsequent to that in the past 48 hours, Sir, the Minister of Community Services and Corrections has seen fit to —(Interjection)—

MR. SPEAKER: Order please. Order please. Order please. The matter is not debatable. I have asked the Honourable Member for Fort Garry twice now to withdraw his remarks. I tell him again that he should withdraw his remarks this afternoon.

MR. L. SHERMAN: Mr. Speaker, the Minister of Community Services and Corrections went on commenting on it to the press, in the public, in total opposition to what he had said in this House.

MR. SPEAKER: Order please. Order please.

MR. L. SHERMAN: Mr. Speaker, with the greatest respect, Sir, I must tell you that I shall not withdraw the

truth under the order of any man . . . —(Interjection)—

MR. SPEAKER: Order please. Order please.

MR. L. SHERMAN: The record of non-credibility stands . . .

MR. SPEAKER: Order please. Order please. The Honourable Member for Fort Garry leaves me no option but to name the Honourable Mr. Sherman, for disregarding the authority of the Chair.

The Honourable Government House Leader.

HON. R. PENNER: I move, seconded by the Minister of Health, that the Member for Fort Garry be asked to withdraw, be suspended from the service of this House until the closing of this Session today.

Mr. Speaker, in making that motion, I do so with regret. I also regret that I have had to witness the Leader of the Opposition, with all of his fulsome rhetoric about parliamentary democracy, threatening the Speaker.

MOTION presented and carried.

MR. A. RANSOM: Yeas and nays, Mr. Speaker.

MR. SPEAKER: Call in the members.

The motion before the House, it is moved by the Honourable Attorney-General, seconded by the Honourable Minister of Health, that the Honourable Member for Fort Garry be suspended from the service of the House for the remainder of the Session today.

A STANDING VOTE was taken, the result being as follows:

YEAS

Messrs. Adam, Bucklaschuk, Carroll, Cowan, Desjardins, Mrs. Dodick, Messrs. Doern, Ms. Dolin, Messrs. Evans, Eyles, Fox, Harper, Kostyra, Lecuyer, Mackling, Malinowski, Pawley, Penner, Mrs. Phillips, Messrs. Santos, Schroeder, Scott, Mrs. Smith, Messrs. Storie, Uruski, Uskiw

NAYS

Messrs. Banman, Blake, Driedger, Enns, Filmon, Gourlay, Mrs. Hammond, Messrs. Hyde, Johnston, Kovnats, Lyon, Manness, McKenzie, Nordman, Mrs. Oleson, Messrs. Orchard, Ransom

MR. ACTING CLERK, G. Macintosh: Yeas 26; Nays 17

MR. SPEAKER: The motion is accordingly carried. On the motion of the Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, I, at 8:00 o'clock, indicated I had a matter which I wanted to raise. It was a matter on a point of order, Mr. Speaker, involving statements that were made by the Member for Fort Garry at approximately 5:20. It's a matter of privilege, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Turtle Mountain on a point of order.

MR. A. RANSOM: Yes, if the Honourable First Minister is raising a point of order with respect to an item that occurred at 5:20, he is clearly in violation of the Rules because he did not raise it at the earliest opportunity.

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, if I could pursue that matter further. I obtained a transcript of the proceedings, Mr. Speaker, involving certain remarks that were made in order to ascertain whether or not there was an irregularity and upon the reading of that transcript, it is quite clear that there was an irregularity I would like to bring to your attention. In so saying, Mr. Speaker, I intend to bring it to your attention and simply indicate our views in respect to the continued use of certain terminology.

MR. SPEAKER: Order please. Would the First Minister confirm whether he is rising on a point of order or a matter of privilege?

HON. H. PAWLEY: Mr. Speaker, I was rising on a point of order regarding privileges of the House involving myself. Mr. Speaker, if the honourable members would just contain themselves for a moment, we would have opportunity to deal . . .

MR. SPEAKER: Order please. The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, prior to the 5:30 adjournment, the Honourable Member for Fort Garry indicated that I, myself had lied, patently untrue. I simply want to leave this matter very clearly with honourable members across the way that when we indeed do confirm that such statements have been made, honourable members across the way can be sure that members across on the government side will raise this matter every time until, Mr. Speaker, there is some respect insofar as the House Rules are concerned and referring to honourable members as liars.

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

MR. A. RANSOM: Mr. Speaker, may I enquire, Sir, did the Honourable First Minister have a point of order? If so, would you please cite the rule that covers the point of order as our Rules require?

MR. SPEAKER: I'm sure the First Minister would like to make it clear to the House whether it was a matter of privilege or a point of order that he was rising on.

HON. H. PAWLEY: Mr. Speaker, the item I raised was a matter of privilege. I am not intending to introduce any motion, but simply to point out, Mr. Speaker, and if necessary I'll read the transcript — (Interjection) —

MR. SPEAKER: Order please. Order please. Order please. Since there was no substantive motion moved

at the end of the honourable Minister's remarks, he did not have a matter of privilege. However, the matter that he raises appears to be dealt with on Page 108 of Beauchene's Fifth Edition, where it lists some 30 or 40 instances where the word 'lie' was ruled as an unparliamentary term according to debates in Ottawa. Can we proceed with the matter before the House?

It is the proposed motion of the Honourable Member for Riel, the proposed motion amendment thereto by the Honourable Leader of the Opposition.

The Honourable Member for Minnedosa.

MR. D. Blake: Thank you, Mr. Speaker.

MR. SPEAKER: Order please. The Honourable Member for Minnedosa has the same right to speak in this Chamber as does any other member.

The Honourable Member for Minnedosa:

MR. David R. Blake: Thank you, Mr. Speaker, I welcome this opportunity to share in this Throne Speech Debate. Mr. Speaker, I hope that you will bear with me if my notes are not expertly prepared and a bit disjointed because really no matter how bad my speech is tonight, it will equal anything we've heard from the other side of the House so far on the Throne Speech Debate.

Mr. Speaker, I traditionally congratulate you for occupying the Chair again, and I suppose, hopefully, trust that your health will remain in good condition and will improve continually, because after what we've just heard in here the last few hours in this Session, I feel that we are maybe going to put a bit of a strain on it; the mood that seems to have inflicted the members opposite.

The Mover and Seconder, Mr. Speaker, to the Throne Speech made their contributions in an adequate manner, and I congratulate them for being nominated by their First Minister to perform that task which they carried out admirably. I would also congratulate the four new Ministers that have been appointed since we last met, and wish them well in their portfolios and hopefully that they will be able to survive the Session without too many bruises and brickbats that may come from this side, but I am sure they've been in here long enough now to understand that that's the way the game is played. The performance of the front bench certainly doesn't leave them much confidence and support.

Mr. Speaker, I would also congratulate the Member for Rupertsland, as many others in this House have done, for laying before us the expectations of his people and their right to jobs and the way of life that they feel that they should have and I also, Mr. Speaker, have those expectations for my constituents; the people in my area whether they be from the Rolling River Reserve or whether they be farmers or business people in my constituency. They have expectations too, and I think that they were expecting a little more in the Throne Speech than we received this year. The performance of the front bench has been dismal, Mr. Speaker, and I can only reflect what's happened here in the last little while when credibility was mentioned so often. It has been lacking and I won't try to name the Ministers where it is so evident, but the shading of the truth and near to misleading statements, things of

that nature we have become used to because we ran into them all through the election, Mr. Speaker, and everyone has a copy of this famous document, so I won't go into it too much just now.

Mr. Speaker, I'm sure the members opposite have expected some leadership from the First Minister of this province of ours. It certainly wasn't evident in the Throne Speech Debate. It wasn't evident in the last few days in this House when he failed to rise to defend one of his Ministers who was under somewhat of a bit of fire, tried to bring in some fuzzy issue tonight that God knows where he got the idea from over the supper hour, but felt that it was important to bring it up. That type of leadership is not going to stand this government in good stead with the people of Manitoba, Mr. Speaker.

I'm sure the members of the back bench are very cognizant of that, as it's been so obvious. Mr. Speaker, this is the Throne Speech Debate and I will try to touch on that somewhat although it hasn't been referred to too often in the speech so far.

In this particular document, Mr. Speaker, we have had a great deal of prattle about the economic recession underway when my government assumed office one year ago has deepened and persisted. Homeowners, small businessmen and farmers are struggling for their economic survival in this current difficult situation. That was nothing new, Mr. Speaker; we all knew that was happening and was rampant many, many months before the election. But there's no steps that they have taken to date that are going to rectify that particular situation. They go on to say well, the ruinous policy of tight money and high interest is now discredited. My Ministers are concerned that positive alternatives have not been pursued at the national-international level.

We heard a great deal of talk from over there, Mr. Speaker, on how we were in favour of high interest and tight money. Mr. Speaker, there is no possible way and they know it as well as we do that the Provincial Government can change the direction of the Federal Government in Ottawa; that was their policy. They felt it was the way to go at that particular time and there may be some small indications now that they're changing their mind —(Interjection)— that's right, they supported them and put them back into office when there was some chance for this country to come out of the economic slump we were in, and there was good indications of it.

Mr. Speaker, we hear them say on the other side, well, you vote with the Liberals more than we do. But God, when there's a chance of you losing your butts in Western Canada, you sure kept the Liberals back in there because that's the only hope of a voice in Ottawa that you've got. If you had have supported the Conservative Government on that election, you'd have been wiped out in Western Canada as you're going to be wiped out, Mr. Speaker, when the next election's called, and it's getting closer day by day.

There is no way that the Federal Leader of the NDP Party is going to escape the actions that he took in supporting the Liberals to throw the Clark Government out of office. That is going to live with them. I'll make you a promise right now that he'll be long gone from that party after the next election because they will be decimated and there will be a new leadership

contest held within the year in the NDP Party.

What do they want instead of tight money and high interest, Mr. Speaker? We hear them crying on the other side. Do they want a 65-cent dollar? You know what that would have cost to pay back your foreign borrowings if that happened, if our dollar slipped down to 70 cents or wherever it might have levelled off if it hadn't have been propped up. You've got to get some real good solid advice over there on financial matters, Mr. Speaker, or this country is going to be in more trouble than we ever dreamed of.

In the coming year —(Interjection)— I'll tell you if you listen to the banks a little bit, you might be, Mr. Speaker. The Member for Inkster says, did I get that from the banks - if they'd listen to some of the bankers a little bit. There was a Royal Commission appointed awhile ago headed by a well-known banker, Mr. Lambert, of the Toronto Dominion Bank, that did a study on government finances and government operation. How many of his recommendations have they implemented? None. They spent millions on a Royal Commission and have implemented nothing. He told them where they were wasting millions of dollars. Look at the bank statements. They're making money; they're not showing a \$500 million deficit in a matter of months. That's good management and maybe you should listen to some of those people that have some expertise.

That's what my Leader, Mr. Speaker, was referring to when he mentioned the ability of those over there to run this country and run this province because they haven't got the ability. They're fiddling and diddling around. Not one of them has made a success of his own job unless he was on a salary. There's none of them have been in business. They have no idea how business operates. The Member for Ste. Rose will verify that.

"In the coming year, Mr. Speaker," he says, "my Ministers are committed to action that will develop and deliver programs that address the crisis of unemployment," - I'm sure the 52,000 or whatever it is now, the latest figures that are unemployed are just waiting for those programs that are going to address their problem. Are they going to have them all out cutting scrub or some little bandaid make-work project up North when they could have had thousands working on the Grid? They could have had thousands working on the Alcan Project and, goodness knows, how many we could have had still on the Potash if that project had got under way. There could have been thousands of lasting, meaningful jobs, not little wee make-work projects that are trying to keep a few miners going in Lynn Lake or Thompson digging foundations around the church or whatever. That's going to last for a little while, Mr. Speaker, but it's nothing. We're going to "strengthen democratic institutions and individual liberties, while working at consulting with Manitobans. . . ." "We know how they work and consult with Manitobans, Mr. Speaker. We've seen a lot of that. They've had a lot of consultation with very very little action.

"You will be asked to provide a \$20 million loan authority for an improved and expanded home insulation program." That would create a few jobs. We welcome that, but I don't know how many home insulation programs we've got in place now, Mr. Speaker.

They're not going to provide the money. It's going to be a loan authority; you're going to have to borrow it. It looks good on print and on paper, but I don't know how many homes in Manitoba are left to insulate yet. The Minister of Housing, maybe later on when we get into his Estimates, we might find out.

The venture capital will address the shortage of equity capital. Well, if they would go about restoring confidence of the investors of this province to invest in Manitoba, they wouldn't have to worry about venture capital. Venture capital will come because we know how much venture capital we're going to drum up in our province. "Buy Manitoba program, sure, that's a good program. We'd all like to buy Manitoba products, but how many are we making here? Businesses have pretty well all gone broke or moved out.

My Ministers are encouraged by the rapid pace of expansion in the petroleum industry. A 300 percent increase and you will be asked to create a Manitoba Oil and Gas Corporation." ManOil has sort of gone by the board because they kind of flipped that out. Then they realized they were a little late, that it had been incorporated under another name, and they weren't able to incorporate under that name. So now it's Manitoba Oil and Gas Corporation.

I won't read on what they're going to do with that, but we all know about how the Coop Organization is being seduced into an oil operation by the Federal Government with a grant of \$100 million.

Mr. Speaker, on the Manitoba Oil and Gas Company, the people of Manitoba are going to be gambling \$20 million of our tax money; that's what they're going to do. These people call it investing. If we do something like that, they call it giveaway, but they're putting it into a high-risk exploration venture which there's only a remote chance of it being successful, so that's gambling. We know what some of their other gambles have been like, Mr. Speaker. We've had the William Clare Publishing and the Saunders with no planes and Morden Fine Foods with no customers.

The research in oil, as we all know, is a very very risky business. Mr. Speaker, and we know how many dry holes the Manitoba Mineral Resources drilled last year, some 56 holes that produced \$1,000 the past year. It's less than \$100 a month. If you'd put that in the bank at 15 or 20 percent interest, you'd have had a couple of hundred thousand dollars anyway.

Whose money are they going to use, Mr. Speaker? There are two alternatives. They're going to increase taxes or divest tax money to give this \$20 million. Are they going to take it out of Health and Social Services? Where are they going to get it? There are no Manitobans that want to pay higher taxes, to give up a commitment for schools and homes for the aged, for wild-cat oil ventures. Oil exploration was down in this province, Mr. Speaker, under the eight years of former NDP administration. Mineral exploration was down. Ask the Member for Flin Flon or the members from the North.

The last four years, when the Conservatives were in power, saw a surge in exploration activities the North hadn't seen for years. That was because they were unshackled from this joint venture operation that the odd people opposite dreamed up to try and gain some wealth for the people of Manitoba. Prohibitive taxes kept that exploration down, Mr. Speaker, there's no

question about it. That situation was changed and oil exploration is way up now. There are more wells being drilled in Manitoba than there has been since the 60s and the revenues are coming in at a record level, Mr. Speaker. So we don't want to gamble with the taxpayers' money; we want to invest taxpayers' money. They've got ample opportunity to invest if there's a thriving climate, Mr. Speaker, and a reason for them to invest in Manitoba.

Mineral resources, it goes on with a bunch of other minor remarks about the Garrison and whatever. But agriculture, Mr. Speaker, gets about four or five lines; legislative measures to control absentee ownership. These discussions with my government will introduce The Farmlands Ownership Act. That's about the only play that agriculture got in the Throne Speech, Mr. Speaker. It's about all they got. Reduce us to 10 acres and you have to live in Manitoba. You're a foreigner if you don't live in Manitoba. Well, I certainly can't support that kind of legislation, Mr. Speaker.

Further down, "To increase the potential for such beneficial activities, the Manitoba Public Insurance Corporation will be empowered to enter into the competitive market in life insurance and pension management services." Well, isn't that lovely? The best examples of development you've got is right across the street from you with the life insurance company that's putting up a multi-million dollar office structure there. It's about the only construction you've had going on here in the past year and you'll drive those people to Denver if you carry on the way you're going.

So, there are few more pages here, Mr. Speaker, but I couldn't see anything else worthwhile underlining, unless I've got something at the end. They're going to amend The Liquor Control Act. That sounds like an earth-shattering movement. The marshalling yards, they should move them. Well, I'd like to know where you're going to move them? Are you going to move them out to Selkirk or where are you going to move them?

Mr. Speaker, that's about all there is in the Throne Speech and really I don't know how we can carry on for another three or four days discussing it because there's just not that much there.

I didn't want to pass up the opportunity, Mr. Speaker, to talk about some of the things in my constituency, although that's a wee bit ahead of my remarks, but Main Street Manitoba, I don't think was mentioned in the Throne Speech, but it was mentioned before. We are certainly happy to see some of the Main Street Manitoba money coming into my constituency. But, Mr. Speaker, there's another program that's been announced about 14 times with great fanfare and we finally picked one town out that had a little bit of dedication, a little bit of action on the part of the Chamber of Commerce to get the merchants together, to put a plan in. God knows, the Minister had only had about two by then and he grabbed on the best one. I think Morden was a little late in coming in with theirs. I think they'll probably be the second one, because I think he's only had a couple. We're happy to get that \$200-and-some thousand to fix up the Main Street and I hope the Minister doesn't rush in to having them reassessed so that they're going to be paying the taxes on them.

Mr. Speaker, the Throne Speech, I think, was over-

shadowed by the Finance Minister when he came in a few days late, of course - we thought that it might have been tabled earlier - with his statement to, I think, shock all Manitobans. If they aren't shocked they should be - announcing that the deficit is now going to be \$498 million. Mr. Speaker, we felt from the rumours we were getting and the way they were throwing \$100,000 here, a million dollars there and a million dollars here, that it was going to be maybe around \$400 million, but that even shocked the members on this side, Mr. Speaker. That really shook us to find out that, in a year, they could fritter away that much money.

"In every case, the national recession has undercut revenue growth and the drop in revenues has led to substantial deficit increases." That's nothing new, Mr. Speaker. Anyone over on that side, if they'd have been studying the situation, could have foreseen that when businesses are down and people are losing money they're not going to be paying the taxes, so the revenues are going to go down. They closed their eyes to that and blindly went on with their predictions. "The largest single adjustment we have faced is a reduction of about \$81 million in the forecast of corporate income tax revenues." Nothing new in that, Mr. Speaker, and what the Minister of Finance fails to recognize or fails to acknowledge and he's been told, goodness knows, by members of the business community that for every corporation that has to pay \$500,000 or \$600,000 - whatever it might be - in the wage tax that he's levied upon their employees, the payroll tax, they're going to come up with the money. There's no question about it. The capital tax that they increased is going to cost a lot of corporations another pile of money. They're going to come up with the money; they can find it. But you know what they're doing, Mr. Speaker, they're not spending money in Manitoba developing their operations. They're cutting back on staff and that's something where the government could take a small lesson; they could start cutting back on staff.

They don't have to go into wholesale firings, as they'll cry that we want to slash the Civil Service. Just look around a little bit. Business is doing it. Business is taking a real hard look at middle management, some of the senior positions and they're finding they can get along with a lot less, and I'll tell you, there's millions of dollars can be saved there. Mr. First Minister, if you haven't been listening, there's millions of dollars you can save. Instead of hiring another 500 or 600 civil servants and, God knows how many more you've got on contract, just take a hard look around and find out where you can save money. You tell us you want us to spend more. We're saying, save more. Take a look and cut some fat out of your operation.

Mr. Speaker, we all know that businesses are cutting back to get the money to give this government for the wage tax and the revenues, naturally, have fallen down; the revenues are not there. They go on to say that, "We believe most Manitobans recognize this fact that there's an increase in the deficit and that the government is concerned about it but we're taking appropriate and desirable activity to sustain and stimulate economic activity." I'd like to know what action has been taken right now to stimulate economic activity; a few programs to dress up the Main Street, a few

programs to cut some scrub, fix up a few buildings up North, temporary jobs until the miners get back to work.

Then, of course, we go into the Economic Summit at Portage la Prairie that we're going to hear from time immemorial about how they're holding hands with the business community and how much they're out to help them and turn around and kick them in the teeth right after the meeting and say they're going to go into the life insurance and pension management business. I suppose they've been pushed into that by the union leaders that are running the place anyway. Professor Clarence Barber has been appointed to sort that all out, so he'll fit in well there.

The thing that disturbs me most, Mr. Speaker, is an article in here where they're going to cut expenses. They're only going to take one official with them now when they go on a trip, but no further additions to the government's vehicle fleet will be permitted. Vehicle requirements must be provided from within the existing fleet. I can't see anything wrong with that. But Treasury Board must approve any new road construction projects, land acquisition and drainage projects." Now, I know that says 'new,' and I know they're going to say that it's going to cost us more money but if you're going to continue to support the agricultural community as you've said so often - you have gone all over this province in the last couple of months, the Premier has written letters to all the papers saying how wonderful the rural people are, they welcomed him with open arms. Well, certainly, they're good, kindly, generous, neighbourly people out there. Regardless of who the Premier was, they'd give him a welcome because that's the way they feel. That position deserves a welcome, but they're not going to be happy when they find out the way they've been kicked around. There's going to be nothing for agriculture. There's nothing in there for agricultural research. They say they are going to develop the industry that's going to see more processing of agricultural products. There's nothing in here at all, Mr. Speaker.

Finally, they say you don't have to spend more; find it somewhere else, get rid of another 50 civil servants . . . If you gave me a list, I could probably name them pretty quick, Red Bill for one and Weiss for another one; I could name a whole bunch.

"Finally, we intend to limit new hirings to all but the essential positions." We're going to remember that little phrase because we're going to be watching the new faces that appear around here and we're going to be wondering what they're doing. "We have, in fact, implemented a number of policies to secure our economic base and to protect Manitobans against the worst effects of national policies and national conditions." What a bunch of balderdash, Mr. Speaker. I'll tell you —(Interjection)— Pete, those in the rural areas know exactly what balderdash is.

Mr. Speaker, I haven't got into some of the items that I've got in my notes here. I know the time is getting on but I wanted to just touch on one or two of them before I know that I can finish off tomorrow, but we had a great foofaraw here a day or two ago because the Minister said he couldn't announce the little study on the Correctional Institute at Headingley because he couldn't get the money approved through Treasury Board. It didn't take him long to get \$50,000 approved

or whatever this little unnecessary attachment out here cost us. It might have been necessary to come in time. That wasn't a pressing priority, to bring dual translations into this House. He could've used that for a study on the correctional institute. Where are your priorities? What are you putting up ahead? What are you putting up front?

MR. SPEAKER: Order please, order please. Order please. The time of 10:00 o'clock having arrived, when we next reach this motion the honourable member will have 12 minutes remaining.

The House is accordingly adjourned and will stand adjourned until 10:00 a.m. tomorrow.