



Third Session — Thirty-Second Legislature
of the
Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

33 Elizabeth II

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The Honourable D. James Walding
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, Hon. Andy	Springfield	NDP
ASHTON, Steve	Thompson	NDP
BANMAN, Robert (Bob)	La Verendrye	PC
BLAKE, David R. (Dave)	Minnedosa	PC
BROWN, Arnold	Rhineland	PC
BUCKLASCHUK, Hon. John M.	Gimli	NDP
CARROLL, Q.C., Henry N.	Brandon West	IND
CORRIN, Q.C., Brian	Ellice	NDP
COWAN, Hon. Jay	Churchill	NDP
DESJARDINS, Hon. Laurent	St. Boniface	NDP
DODICK, Doreen	Riel	NDP
DOERN, Russell	Elmwood	IND
DOLIN, Hon. Mary Beth	Kildonan	NDP
DOWNEY, James E.	Arthur	PC
DRIEDGER, Albert	Emerson	PC
ENNS, Harry	Lakeside	PC
EVANS, Hon. Leonard S.	Brandon East	NDP
EYLER, Phil	River East	NDP
FILMON, Gary	Tuxedo	PC
FOX, Peter	Concordia	NDP
GOURLAY, D.M. (Doug)	Swan River	PC
GRAHAM, Harry	Virden	PC
HAMMOND, Gerrie	Kirkfield Park	PC
HARAPIAK, Harry M.	The Pas	NDP
HARPER, Elijah	Rupertsland	NDP
HEMPHILL, Hon. Maureen	Logan	NDP
HYDE, Lloyd	Portage la Prairie	PC
JOHNSTON, J. Frank	Sturgeon Creek	PC
KOSTYRA, Hon. Eugene	Seven Oaks	NDP
KOVNATS, Abe	Niakwa	PC
LECUYER, Hon. 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, Hon. 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, Hon. Jerry T.	Flin Flon	NDP
URUSKI, Hon. Bill	Interlake	NDP
USKIW, Hon. Samuel	Lac du Bonnet	NDP
WALDING, Hon. D. James	St. Vital	NDP

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 1 May, 1984.

Time — 2:00 p.m.

OPENING PRAYER by Mr. Speaker.

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

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. D. BLAKE: Yes, Mr. Speaker, thank you. I beg to present the first report of the Standing Committee on Public Accounts.

MR. CLERK, W. Remnant: Your Standing Committee on Public Accounts beg leave to present the following as their First Report.

Your committee met on Tuesday, May 1, 1984 and appointed Mr. Blake as Chairman. Your committee has examined the Provincial Auditor's Report and the Public Accounts of the Province of Manitoba and Supplement for the fiscal year ended March 31, 1983 and finds that the receipts and expenditures of the monies have been carefully set forth and all monies properly accounted for.

Prior to consideration of the Public Accounts, your committee adopted the recommendation that the reporting level under the Field Services Appropriation in the Department of Government Services be changed so that a breakdown by building code is not required in the Public Accounts. The Department of Government Services should be requested to provide this type of information in the Department's Annual Report.

Your committee received, or has been assured that it will receive, all information desired by any member from the Minister, Provincial Auditor and staff with respect to receipts, expenditures and other matters pertaining to the business of the province. The fullest opportunity was accorded to all members of the committee to examine vouchers or any documents called for and no restriction was placed upon the line of examination.

All of which is respectfully submitted.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. D. BLAKE: Mr. Speaker, I move, seconded by the Honourable Member for Turtle Mountain, that the report of the committee be received.

MOTION presented and carried.

MR. SPEAKER: The Honourable Minister of Energy and Mines.

HON. W. PARASIUK: Mr. Speaker, I have a statement.

MR. SPEAKER: Order please. The Honourable Minister.

HON. W. PARASIUK: Mr. Speaker, I would like to inform this House of an encouraging development related to mining in the province.

The Tantalum Mining Corporation of Canada - TANCO - as it is otherwise known is embarking on a new venture. With assistance from the Federal Department of Regional and Industrial Expansion, TANCO is launching a pilot project to process spodumene at its Lac du Bonnet property. This project will provide employment for 26 people.

Mr. Speaker, TANCO will produce approximately 100 metric tons of ore per day which will be made into concentrate in the facility's mill. This mill is being refurbished to enable it to handle the spodumene ore.

The finished spodumene concentrate will be shipped to customers in Europe and the United States for testing in ceramic cookware such as Corning Ware and similar competitive products.

The objectives of the pilot are three-fold:

- (1) To confirm the suitability of the metallurgical process for producing the concentrate known as "super-spod;"
- (2) to confirm that the concentrate can be made on a consistent basis; and
- (3) to confirm market acceptance of the product by potential purchasers.

If the pilot is successful the project will become a commercial operation on about the same scale.

Mr. Speaker, I believe this is clearly an example of the ability of the mining industry in Manitoba to adapt to changing conditions and its ability to seek out and take advantage of new opportunities.

Thank you.

MR. SPEAKER: Order please. The Honourable Member for Lakeside.

MR. H. ENNS: Mr. Speaker, in responding to the Minister's statement, I want to assure the Honourable Minister and members of his government that we on this side welcome these kinds of announcements whenever they are made. We hope that they can offset and help, perhaps prevent the University of Manitoba from having to lay off 200 people in their institution by improving the economic outlook of Manitoba. So we'll look with interest and in a supportive way at these kinds of ventures that I'm sure the Minister of Mines will want to make from time to time, and I hope he has many more announcements to make in the near future.

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

INTRODUCTION OF GUESTS

MR. SPEAKER: Before Oral Questions, can I direct the attention of honourable members to the gallery.

We have 28 students of Grade 5 standing from the Souris Elementary School. They are under the direction of Mr. Wallman and the school is in the constituency of the Honourable Member for Arthur.

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

SPEAKER'S RULING

MR. SPEAKER: Also before Oral Questions, I have a statement for the House.

On Thursday, April 26th, the Honourable Government House Leader rose in his place to raise a point of privilege regarding allegations made in the House by the Honourable Leader of the Opposition.

Following his remarks and the tabling of a letter, I took the matter under advisement in order to review Hansard and the documents quoted.

In order for a matter to have precedence over all other items standing on the Orders of the Day it is necessary to show that the issue has been raised at the first available opportunity and that a prima facie case can be shown.

Since the matter was raised on the same day, I will accept that it was raised at the first available opportunity.

It remains, therefore, to show that a prima facie case of privilege exists that would justify the matter taking precedence over other matters standing on Orders of the Day.

There is no doubt that considerable disorder existed during the question period, quite contrary to the rules of order. The conduct of the members, as well as the unparliamentary language used, were far below the standard of behaviour expected of honourable members, and reflect poorly on the institution of Parliament and the example expected of leaders of the community.

It is expected that honourable members will reflect on their actions sufficiently to moderate their behaviour, and conduct themselves in a manner that will bring credit on the Legislature and all the members.

A close examination of the words of the Honourable Government House Leader show that many of his statements dealt with disorder in the House, the unparliamentary words of members, and imputations against the House and other members. These are matters of order as Beauschesne makes clear, not matters of privilege.

The essence of the issue raised as a matter of privilege by the Government House Leader concerns the letter sent out by the Honourable Minister of Finance, and a denial of a statement made in that letter.

The statement made in the letter is, "the 2 percent sales tax increase proposed by the Conservatives."

The proposal may or may not have been proposed by two or more persons who are Conservatives. It may or may not have been proposed in the Legislature. It may or may not have been proposed by the Official Conservative Party. The word "proposal" may or may not have been synonymous with the word "policy."

Since there is no attempt to make the wording of the letter more specific, the precise meaning of this sentence cannot be ascertained by the Chair and must be viewed as the opinion of the Honourable Minister.

No suggestion has been made, nor any evidence presented, that the Honourable Minister of Finance deliberately misled the House.

The remarks of the Honourable Member for Fort Garry have been quoted in support of the Honourable Minister, and Hansard shows these as being spoken just over a year ago.

A careful reading shows that the Honourable Member for Fort Garry was of the opinion that the government should have taken certain actions one year previously. Whether the same actions should have been taken at the time the remarks were made is unclear, as is whether that action is still recommended by the Honourable Member for Fort Garry.

Also unclear is whether a recommendation that the government should have taken some action previously constitutes a statement that it represents the policy of the Honourable Member for Fort Garry.

A careful study of the remarks of the Honourable Leader of the Opposition during question period shows an attempt to deal with the possibilities contained in the letter and an uncertainty as to which opinion was intended, if indeed there were not more than one.

It is clear that once the matters of disorder and unparliamentary language are removed as matters of order, what remains is a difference of opinion between two members.

Our Rules contain an appendix concerning matters of privilege which quotes Citation 19(1) of Beauschesne saying, "A dispute arising between two members, as to allegations of facts, does not fulfill the conditions of parliamentary privilege".

Previous Speakers have ruled accordingly on numerous occasions in the past, and there is no reason that these precedents should be contravened.

ORAL QUESTIONS

Camperville - self-government

MR. SPEAKER: The Honourable Member for Morris.

MR. C. MANNES: Thank you, Mr. Speaker. My question is to the First Minister. My understanding is, today, that almost half of Manitoba's Indian students on four major reserves have been told not to attend school since the government is advocating self-government. Is the Provincial Government taking any action in this matter at all; are they involved?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, I should point out to you that this is a federal matter falling under federal jurisdiction. — (Interjection) —

MR. SPEAKER: Order please. The Honourable Member for Morris should restrict his remarks to matters which are within the administrative competence of this government.

The Honourable Member for Morris.

MR. C. MANNES: Mr. Speaker, I am well aware this is a federal jurisdiction, in part, but the fact that these are Manitoba children, again I pose the question,

whether the government is involved and, more importantly, do they have any idea how long the situation will continue?

HON. H. PAWLEY: Mr. Speaker, I think the Indian people have demonstrated that they more fully understand the responsible jurisdiction themselves. They are demonstrating in front of - according to my understanding - the Department of Indian Affairs, Government of Canada.

Hydro power - Memorandum of Understanding

MR. SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Mr. Speaker, I direct a question to the Honourable Government House Leader, seeking his assurance and clarification. I have the understanding that he assured the House that the details, the contract of the Northern States Power Agreement would be made available to members of the House, and particularly members of the opposition, prior to Manitoba Hydro appearing before Public Utilities Committee. Can he confirm that understanding?

MR. SPEAKER: The Honourable Government House Leader.

HON. A. ANSTETT: Mr. Speaker, I stand behind the assurance I gave the House a week to 10 days ago, that is our intention.

Chickens - imported into Manitoba

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOWNEY: Thank you, Mr. Speaker. I have a question to the Minister of Agriculture. Can the Minister of Agriculture confirm that thousands of pounds of chicken are being imported into Manitoba to replace chicken that could be produced and processed by Manitoba employees and Manitoba farmers, Mr. Speaker?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Mr. Speaker, I answered that question over a week ago, dealing with our position vis-a-vis our negotiations in terms of national marketing.

The honourable member should be aware that when he was Minister he allowed national provincial boards to opt for other criteria, other than comparative advantage, in negotiating overbase quota. As a result we have been fighting a rear-guard action for over two years, to get back to the basis of national market share using the major criteria of comparative advantage, because Manitoba producers are, Sir, one of the lowest cost-of-production producers anywhere in this country and Manitoba should have additional market share in terms of quota.

It is true, Mr. Speaker, that there is quota that we believe Manitoba producers should have additionally.

We appealed a ruling of the National Natural Products Marketing Council; we did receive additional quota. We don't believe it is adequate for our production base and our needs in this province and we will continue to press.

But, Sir, we would not be in that position had it not been for the former administration allowing other criteria, other than comparative advantage, to allow for the production of agricultural products in this province, Sir.

MR. J. DOWNEY: Mr. Speaker, I thought the question to the Minister of Agriculture was straightforward. I asked him whether or not there was any chicken being imported into Manitoba to meet the needs of the consumers and not being able to be met by the Manitoba farmers who produce chicken.

The second question, Mr. Speaker, to the Minister of Agriculture is, will he give notice to the National Chicken Marketing Agency and to the other participants in the Chicken Marketing Agency, that Manitoba will opt out, so Manitoba producers can produce food for Manitoba consumers and create the kind of economic climate that we should have in this province, Mr. Speaker, and get on with the job of taking his responsibility seriously and not giving us the kind of rhetoric he's been giving us since his Ministry?

HON. B. URUSKI: Mr. Speaker, I want to tell the honourable member, we wouldn't be in this position that we are in now had it not been for his mismanagement and his government's mismanagement.

Sir, we will not abandon orderly marketing and price support for the producers of this province on the basis of blackmail. That's what the honourable member is suggesting, that we blackmail the rest of the provinces in this country, that we should, in fact, opt out if they don't give us more quota.

Mr. Speaker, we have a position vis-a-vis the national legislation, that comparative advantage should be the dominant criterion in terms of allocating overbase quota, in terms of production of all commodities. We have taken that consistent approach over the last two years and we have, through co-operation with all our marketing agencies, taken that stand and we have done it in co-operation, not done it in the way that the honourable member suggests, that we should pull out and we should blackmail the rest of the provinces if they don't cave in.

We want to work in a spirit of co-operation. We believe that there is an ability of Manitoba producers to produce for this market as well as other markets, because we are a lower cost-of-production province. Sir, that is the position we will continue to take.

Flyer Industries Limited

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Sir, my question is to the Minister of Industry and Technology and I believe responsible for Flyer Industries.

Can the Minister advise the House why Flyer Industries has placed a contract with the Ontario

Research Council or Foundation, to do an industrial computer assessment of the construction of Flyer buses to supply information as to construction problems in the manufacture of the bus?

MR. SPEAKER: The Honourable Minister of Culture.

HON. E. KOSTYRA: Thank you, Mr. Speaker. That information is something that I can't confirm. It's been public knowledge for some time now, that Flyer is having some tests done on its buses by the Ontario Research Council with respect to looking at some problems that exist with respect to the contract and the buses that were delivered to the City of Chicago.

MR. F. JOHNSTON: Can the Minister advise or confirm to the House why the Ontario Research Foundation subcontracts the contract to the Manitoba Technology Centre, because CAD/CAM the Manitoba computer, which the government is very proud of and should be because it's a state-of-the-art computer, why they sublet the contract to the Manitoba Technology Centre, because Manitoba had the equipment and the Ontario Research Foundation does not have the equipment to do the job?

HON. E. KOSTYRA: Thank you, Mr. Speaker. I'll have to take that question as notice and provide the information subsequent to today.

Demonstration at U.S. Consulate - inquiry

MR. SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: Thank you, Mr. Speaker. I have a question for the Attorney-General. Mr. Speaker, could the Attorney-General advise, when he ordered an inquiry into the anti-American demonstration in front of the U.S. Consulate, did he have knowledge that the Vice-Chairman of the Manitoba Police Commission was in attendance at that demonstration? Can he assure us that a fair hearing can be held by the remaining members of the Manitoba Police Commission in that the Vice-Chairman, who will not sit, has not discussed that matter with the remaining members of the Police Commission?

MR. SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: First of all, Mr. Speaker, no, I was not aware that the Vice-Chairman of the Manitoba Police Commission was in attendance at the demonstration in question, but the Member for St. Norbert doesn't read very well or forgets too easily.

The person actually heading the Commission is Mr. Perry Schulman, Q.C., who ran as a Conservative against me in Fort Rouge, and was appointed by me — (Interjection) — who was appointed by me because I have every confidence in his integrity, as I do in the Vice-Chairman of the Commission who, as said and it's quoted in the paper today, deliberately did not choose to participate in the proceedings in any way because he understood the basic rules of conflict of interest.

Deputy Attorney-General - appointment of

MR. G. MERCIER: Mr. Speaker, we have no concerns about Mr. Schulman, only the balance of the members of the Commission, Mr. Speaker, appointed by this government.

Mr. Speaker, a second question to the Attorney-General. Could the Attorney-General advise when a new Deputy Attorney-General will be appointed, and can he assure the House that the next Deputy will be appointed from within the existing members of the department?

HON. R. PENNER: No, I can't give that assurance. We have advertised nationally. We received a number of applications both from within and without. A number of persons have been interviewed. A second round of interviewing has taken place. Two persons were interviewed in the second round on Monday; another two persons will be interviewed in the second round of interviews on or about the 9th of May. I can simply say to the honourable member at this stage that the majority of those being interviewed are from within the department.

There are two positions, in fact, to be filled, the Deputy consequent upon the retirement of Gordon Pilkey - and I am pleased to note that the honourable member paid tribute to Mr. Pilkey yesterday; I will have occasion to do so later on - and we have to fill the position of an Assistant Deputy, consequent on the elevation to the Court of Queen's Bench of Mr. Gil Goodman. Again, I am happy to note that the Member for St. Norbert paid tribute to Mr. Goodman, as I'll have occasion to do later on in these proceedings.

Free trade zone - movement to

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. R. BANMAN: Thank you, Mr. Speaker. I direct my question to the Minister of Business Development and Tourism, I believe the right handle is. Could he inform the House whether his department is monitoring and is doing any studies with regard to the exodus of a number of manufacturers from the Province of Manitoba to the free trade zone in Grand Forks?

MR. SPEAKER: The Honourable Minister for Business Development.

HON. S. USKIW: Mr. Speaker, I would suspect that the member is trying to address the small-business sector when he is referring the question to this department. If it has something to do with international trade then he should direct it of course to my colleague, the Minister in charge of Trade and Technology.

I am not aware specifically, Mr. Speaker, but I will take the matter under advisement.

MR. R. BANMAN: A question then to the Minister of Trade and Technology. I wonder if he could inform the House whether his department is monitoring or is doing any studies with regard to the stated intention of a number of manufacturers in Manitoba to move their

manufacturing facilities to the free trade zone in Grand Forks?

MR. SPEAKER: The Honourable Minister of Culture.

HON. E. KOSTYRA: Thank you, Mr. Speaker. Yes, our department is monitoring those developments with respect to the free trade zone in the United States. We're also involved in discussions with the Federal Government as they have recently indicated that they are considering that concept for areas of Canada.

I might indicate that we are concerned about that development. However, it's interesting to note that in one case I am aware of there was a Manitoba manufacturer operating out of - I believe it was Winkler or Morden - that established an American subsidiary for the distribution and the final manufacturing of a soap product - I believe it was a hockey puck soap - which resulted in some five or six additional jobs at that manufacturer's base plant in southern Manitoba.

So in that particular circumstance, the access to the free trade zone provided a Manitoba manufacturer with a base of operations into the American market. But as I indicated, we are concerned and are monitoring that development very closely.

MR. R. BANMAN: In light of the fact that Mayor Bill Norrie of the City of Winnipeg has been advocating this type of a free trade zone for certain parts of Winnipeg - and I guess in his particular instance to the City of Winnipeg - has the government been working with the city in order to check with the Federal Government as to the status of a free trade zone being established in Manitoba?

HON. E. KOSTYRA: As I indicated in response to the previous discussion, we are aware of that development and there has been discussions at the federal level with regard to the possibility of free trade zones in Canada. We will continue to participate in those discussions and to ensure whatever developments there are will be of benefit to the Province of Manitoba.

Sales tax exemption - motorcycle helmets

MR. SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Mr. Speaker. My question is for the Minister of Finance. The Minister of Finance announced sales tax exemption for motorcycle helmets effective April 25, would the Minister give consideration to making that sales tax exemption retroactive to January 1st, the proclamation date of the helmet law?

A MEMBER: Good idea.

A MEMBER: That makes sense.

MR. SPEAKER: The Honourable Minister of Finance.

HON. V. SCHROEDER: Mr. Speaker, on the helmets purchased between then and the day the Budget announcement was made, the tax has already been paid. I think that there would be a great deal of

administrative difficulty in having rebates; there would be people who didn't have their receipts, others who do. The changes that were announced on Budget night took effect right after the announcement.

MR. D. ORCHARD: Mr. Speaker, in view of the fact that the Minister recognizes that the new law caused the purchase of safety equipment such as motorcycle helmets, would he not believe that it is worth the administrative effort in the Department of Finance to make a refund available to those law-abiding motorcycle operators, riders and passengers who purchased helmets after January 1st to comply with his government's law? Would it not be fair and equitable to those people to make available a sales tax exemption, by application, by people who have spent anywhere from \$5 to \$15 on sales tax for safety equipment now exempt?

SOME HONOURABLE MEMBERS: Hear! Hear!

MR. SPEAKER: Order please. The question asks for an opinion of the member. Would the honourable member please seek information from the Treasury Bench?

The Honourable Member for Pembina.

MR. D. ORCHARD: I would ask the Minister of Finance if he would not consider it fair and equitable to provide an exemption of sales tax paid on motorcycle helmets purchased from January 1st till April 24th to comply with the safety helmet law implemented by his government?

MR. SPEAKER: That question also asks for an opinion. The Honourable Member for Pembina.

MR. D. ORCHARD: Mr. Speaker, will the Minister of Finance do something for the people of Manitoba and provide retroactive sales tax refund and treat with justice and fairness those motorcycle riders and passengers who have complied with his government's law? Is that a question, Mr. Speaker?

A MEMBER: That's a good question.

McKenzie Seeds

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

MR. B. RANSOM: Mr. Speaker, my question is to the First Minister. The Standing Committee on Economic Development will be meeting next Thursday to consider the report of A.E. McKenzie Ltd. for the period ending 31st of October, 1983.

Since the Member for Brandon East, the now Minister of Employment Services was the Minister responsible for McKenzie Seeds during the period of time when there was considerable upheaval in the corporation, will the First Minister assure us that the Member for Brandon East will be in attendance at the committee and will be answering questions from members of the committee concerning his role as Minister responsible for A.E. McKenzie?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, I'm sure that the honourable member will be in attendance and will be there. He will participate in due process as indeed would any other Member of this Legislature.

MR. B. RANSOM: Mr. Speaker, my question to the First Minister was, would he be there and answer questions from other members of the committee, in view of his having been the Minister responsible? — (Interjection) — Mr. Speaker, they make reference to, do I know the rules? We know full well that he was the de facto Minister responsible for McKenzie Seeds for two years and answered questions before the committee. Will the First Minister give the assurance that he will be there and will answer questions from members of the committee?

HON. H. PAWLEY: Mr. Speaker, the member will be there and the rules will be followed as they have been followed in the previous proceedings of committees within the Legislature. I'm sure that the normal practice of the committee will be followed.

MR. B. RANSOM: Mr. Speaker, that answer means that he will not be answering questions. My request is, will the First Minister consider directing, requesting his Minister responsible for Employment Services to go to the committee meeting and be prepared to answer questions from members of the committee, not just to participate in the debate, as a member, but to answer questions?

MR. SPEAKER: Order please, order please.
The Honourable Minister of Employment Services.

HON. L. EVANS: Yes, thank you, Mr. Speaker. It is my intention to attend the meeting of the Economic Development Committee of the Legislature, I've been looking forward to it for some time.

I notice that there is some conflict with the Public Utilities Committee, but I've already indicated to the House Leader that I'd like to be removed from that committee so that I could be in attendance at the Economic Development Committee meeting.

I might add, Mr. Speaker, I don't know what the rules are, but I'd be very happy and prepared to debate and discuss this matter with the Honourable Member from Turtle Mountain, and I can advise him I have many questions to ask of him and his government when they were in power and when all of these items were established.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please, order please. Can we just have one question at a time?

The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, I would be quite prepared to appear before the committee as a witness sworn under oath. Will the Member for Brandon East be prepared to do the same thing?

SOME HONOURABLE MEMBERS: Oh, oh!

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

HON. H. PAWLEY: Mr. Speaker, this government on this side has been very open; this government has taken steps to remedy what has been a bad situation, admittedly, in respect to McKenzie Seeds, a situation that goes back for some period of time.

This government is prepared to respond to questions. The Honourable Member for Brandon East has indicated that he has questions of his own to pose. I'm sure the Member for Turtle Mountain has questions to pose. Those questions will be dealt with in committee according to the normal processes of committee, Mr. Speaker, and this committee will follow those procedures that have been traditionally followed but, if the honourable member wants debate, if he wants questions, I am sure that the Honourable Member for Brandon East, the Minister responsible for Employment, will be ready for him come the committee hearing.

MANDAN Line

MR. SPEAKER: The Honourable Minister of Energy and Mines.

HON. W. PARASIUK: Mr. Speaker, I'd like to provide some information that had been asked by members opposite regarding the process on the MANDAN Line Routes Selection, and I'd like to inform members of the House that the Provincial Government Regulatory Agency is presently in the process of finalizing the preferred route for the MANDAN Line, and ongoing discussions are still taking place with the Nebraska Power Authority and with The State of North Dakota officials. Pending a satisfactory completion of these discussions, a preferred route will be announced and made known to the public, after which a series of open house meetings will be held. Final approval of the preferred route is subject to Manitoba Hydro filing an environmental impact statement on the preferred route with the Provincial Review Agency.

Those discussions are taking place. It would appear that the schedule will be delayed a bit, and that the discussions with the authorities to the south of us will have to continue and I would expect that, once a better grasp is gotten as to when the route selection could be made public, the appropriate people will be informed so that they can be informed of the preferred route selection, and then be able to express their concerns or their comments at open meetings after that.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: I thank you, Honourable Minister, for that response to earlier questions.

I only have one question to the Honourable Minister. I appreciate that the original date for route selection has now come and gone but, Mr. Speaker, my question to the Honourable Minister is the date that the Manitoba Hydro had set for itself for approval from the National Energy Board was for September of '84; is that a date that is still being looked for as achievable by Manitoba Hydro and by this government?

HON. W. PARASIUK: One of the questions would, indeed, be the route and the border crossing, and that

is the matter that still is under discussion. I expect that the September 1st date will not be able to be met and the National Energy Board will have to hear this at a later date.

Shoal Lake cottage development - road access

MR. SPEAKER: The Honourable Member for Kirkfield Park.

MRS. G. HAMMOND: Yes, Mr. Speaker, my question is to the Minister of Urban Affairs. In light of statements made by the Indian Band at Shoal Lake about the cottage development, is the government planning to allow road access?

MR. SPEAKER: The Honourable Minister of Labour.

HON. M.B. DOLIN: Mr. Speaker, there is a committee that is dealing with all of the situations that arise out of the Shoal Lake problems, if we want to call them that, and the requests from the Bands and so on. That committee is chaired by a provincial government employee, he is the Deputy of Environment and Workplace Safety and Health. My Deputy Minister, Mr. Peter Diamond, also attends those committee meetings, but is not involved in an active way because the chairperson was decided to be Mr. Tom Owens.

As far as their discussions regarding road access, I don't know that that has come up at their last meeting, and I would ask that if my colleague has some more information on that, perhaps we can get the information for the member. I don't know that that particular item was under discussion at their last meeting.

MRS. G. HAMMOND: Well, then my question would be to the Minister of the Environment. Has there been any discussion, and is the province planning to allow road access?

MR. SPEAKER: The Honourable Minister for the Environment.

HON. G. LECUYER: Thank you, Mr. Speaker. I think as everyone knows that is only one of a number of issues that are under consideration with the Indian Band IR 40, and that there are three levels of government involved in the current discussions. In order to facilitate and arrive as speedily as possible to some conclusion to these discussions all three parties have agreed that they would negotiate on a regular basis, and meet on a regular basis to try and expedite these negotiations, but keep these negotiations private until such a solution is arrived at.

MRS. G. HAMMOND: Yes, I have a further question to the Minister. Can he assure the people of Manitoba, and especially the citizens of Winnipeg, that the Band won't go ahead with the cottage development while they're busy, the three levels of government are busy discussing, and what assurance can he give the City of Winnipeg and the citizens that our water supply will be protected?

HON. G. LECUYER: I think for the honourable member I should indicate that the Band itself, of course, is a

party to these negotiations and sits at these meetings and, obviously, that is one of the issues that I referred to that is part of those negotiations. Therefore, I fail to see how that would happen as the member seems to indicate

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. R. BANMAN: Thank you, Mr. Speaker. In light of the fact that I believe access to Shoal Lake would have to possibly come through the Whiteshell Provincial Park, I wonder if the Minister in charge of Parks could advise the House whether or not he has issued a permit to the Shoal Lake Indian Band to build a road?

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. A. MACKLING: No, Mr. Speaker.

MR. R. BANMAN: I wonder if the Minister could advise the House whether or not there is an application, or is the department entertaining any proposal which would see a road built through the Whiteshell Provincial Park either coming out at Falcon Lake or close to East Braintree.

HON. A. MACKLING: Mr. Speaker, I believe my colleague, the Honourable Minister of Environment, did outline that the whole question of development by the Shoal Lake Indian Band is a matter that is the subject of discussion between the Band, the Federal Government, the Provincial Government and the City of Winnipeg. I don't think it enhances the prospects of reasonable settlement of those discussions to articulate individual matters here.

MR. R. BANMAN: Mr. Speaker, in light of the fact that both Falcon Lake and East Braintree are in my area, and in light of the fact that citizens in that particular area would be affected by any development within the park or any road changes, could the Minister assure this House that before any deals are struck with the Shoal Lake Indian Band, some consideration is given to consulting with residents and cottage owners of the area in dealing with that particular proposal?

HON. A. MACKLING: Mr. Speaker, the honourable member knows that this government has an excellent record in respect to consultation before decisions are made that take away or impinge upon any rights.

The adoption of the Whiteshell Master Plan is certainly a case in point, and I'm sure the honourable member's constituents will verify the excellence of that exercise and the abundant opportunity his constituents had to register their concerns in respect to park development, particularly the Whiteshell.

MR. R. BANMAN: It is precisely for that reason I asked the question. The people out in that particular area were opposed to the Minister's move, the majority were. Mr. Speaker, if the Minister would be so kind this time to assure us that there will be some public meetings or that the public will be allowed to have input before

any permits or rights are given to the building of a road within the provincial park or within the region of East Braintree or the Falcon Lake area, and assure this House and my constituents that they will have an input into anything that's going to happen out there, and that it is not a fait accompli that he just comes out and announces it when it's done.

HON. A. MACKLING: Mr. Speaker, somewhere within that speech, there was a question. The honourable member seems to indicate a state of affairs that I don't think exists. He says that his constituents are displeased about the Whiteshell Master Plan. I haven't seen that displeasure noted in the correspondence I have received. I haven't received requests from his constituents for a re-evaluation of the decisions that were made over an extensive period of time, where there was effective consultation and an opportunity for all of his constituents to play a role in that decision-making process.

To hear him now say that there is considerable discontent, I believe it's the honourable member, Mr. Speaker, who is unhappy because, as former Minister responsible, he made some very serious blunders and he's embarrassed by them.

Mr. Speaker, when it comes to consultation, this government has no equal in the Province of Manitoba. I can assure the honourable member that those affected by decisions of this Minister will be consulted.

Freon - certificate for use of

MR. SPEAKER: Order please. The Honourable Member for Roblin-Russell.

MR. W. MCKENZIE: Thank you, Mr. Speaker. I have a couple of questions for clarification to the Honourable Minister of Labour, Mr. Speaker.

Mr. Speaker, constituents of mine have been at a course at Gimli regarding the management of these refrigeration plants and the management of arenas. They go there and they deal with Freon, which is the type of element that's used in rinks in rural Manitoba. For some strange reason, they're not entitled to a certificate. Yet, those who work in arenas in the city and manage arenas where those rinks use ammonia, they go there and they are entitled to a certificate.

Can the Minister tell me what's the difference between the Freon and the ammonia management of these rinks, and why one group is entitled to certificates and the others are not?

MR. SPEAKER: The Honourable Minister of Labour.

HON. M.B. DOLIN: Mr. Speaker, I certainly will take that as notice. Sometimes the very technical items that are licensed by the Mechanical and Engineering Branch of the Department of Labour - everything from ferris wheels to ammonia - do take some detailed study. I will have an answer for the member shortly.

MR. W. MCKENZIE: One other question for clarification, Mr. Speaker. Can the Minister explain, is there some vehicle whereby they can work back and forth on ammonia one day and Freon the next under the same certificate?

A MEMBER: As long as it doesn't go to their heads.

HON. M.B. DOLIN: Yes, we'll see that it doesn't go to their heads, as the honourable members are saying. However, I would think that the certificate would obviously have to be for both if they were going to be certified to work with both. That's exactly, I think, the question he was asking. We will determine whether there is a technical difference enough to make licensing different for ammonia and Freon, or whether they should be knowledgeable about both. We would certainly want to expand their skill base, if at all possible.

Suicides in corrections facilities

MR. SPEAKER: The Honourable Member for Rhineland.

MR. A. BROWN: Thank you, Mr. Speaker. My question is to the Minister of Community Services and Corrections. During the past few months, we have experienced two suicides at Headingley, and also during that period of time a death and problems have been reported at the Remand Centre. My question to the Minister is this: Can she explain why these incidents seem to be increasing at both these centres?

MR. SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Mr. Speaker, it is beyond my power to give any explanation as to why they are increasing other than, I suppose, conjecture that we are bringing into the correction system people who are more and more disturbed as a result of a multitude of things, all the way from unemployment on through greater use of drugs and alcohol, all those issues which we are trying to approach in a constructive way in other areas. But I can assure the honourable member that we are not waiting for tragedies of the sort that have occurred to review in a very thorough way the facilities and the policies and practices, both at the Remand Centre and Headingley. Whenever an incident of this sort occurs, we do get a very thorough report. If there is any immediate improvement we can make in procedures or facilities, we do that.

As I have already informed the member, we have moved to improve the viewing area in the Remand Centre drunk tanks. We have ensured that there is a regular medical checkup and review by the staff. Really, the increase in precautionary measures, the list is quite long, and I would be more than happy to share that information in greater detail with the honourable member.

Group home incident

MR. A. BROWN: My question is to the same Minister. Following the murder of a resident in a group home by another resident of that group home, and because concern had been expressed about this person's behaviour and concern expressed that this resident was increasingly expressing dangerous tendencies . . .

MR. SPEAKER: Question.

MR. A. BROWN: . . . can the Minister inform this House why these concerns were not addressed by her department?

HON. M. SMITH: Mr. Speaker, because the incident involved a post-mentally ill person who was in a home licensed by our department, but whose medical treatment was under the health portfolio, both the Minister of Health and myself have asked for a full investigation into the situation. I've had a preliminary report from the forensic psychiatrist but there is more information to come so, with respect, I and the Minister of Health will see that the House gets a fuller report in a few days.

INTRODUCTION OF GUESTS

MR. SPEAKER: Order please. The time for Oral Questions having expired, may I direct the attention of honourable members to the gallery. We have 53 students of Grade 10 standing from the Pinawa Secondary School. The students are under the direction of Mr. Mike Biglow and Mr. George Turner. The school is in the constituency of the Honourable Minister of Business Development.

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

ORDERS OF THE DAY

BUDGET DEBATE

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance and the amendment thereto proposed by the Honourable Leader of the Opposition, the Honourable Minister of Natural Resources has 40 minutes remaining.

HON. A. MACKLING: Mr. Speaker, it is a delight for me to have the privilege, once again, of participating in a serious consideration of the Budget of the Province of Manitoba. I have some reservation about saying, serious consideration, because I must admit that some of the speeches I've heard, some of the comments I have heard, lead me to believe that some of the comments weren't all that serious.

Mr. Speaker, I approach the discussion of the Budget of the Province of Manitoba with very serious concern, a concern that we in this House will reflect, and reflect deeply, on the economic issues that face, not only people in Manitoba, people in Canada and people throughout the world.

Mr. Speaker, in addressing economic problems we have to look at the type of philosophy that people have toward government, and what government can do to improve the quality of life for men and women everywhere. Mr. Speaker, the New Democratic Party, the successor to the Co-operative Commonwealth Federation, has always adopted an approach about putting people first, humanity first, corporations second. The philosophy that comes through when Conservatives - oh, they call themselves Progressive Conservatives - but when Conservatives talk about taxation, when they talk about raising funds through government, their philosophy comes through. You know they have a

different universality theory, Mr. Speaker. They believe, and the Honourable Member for Sturgeon Creek will hear more on this, they believe that everyone has the right - well they may even call it a privilege - to pay exactly the same for services as everyone else.

Mr. Speaker, the first New Democratic Party in government in Manitoba did something that angered Conservatives in this province because what we did was abolish Medicare premiums, hospital and medical premiums. We transferred that load off the backs of individuals to government. Whether you were a millionaire, or whether you were a pensioner on fixed income, prior to that decision, you paid the same kind of levy. It was called a premium. Mr. Speaker, that is a tax.

Let me say more about premiums. The Unemployment Insurance, and thank goodness for Unemployment Insurance in Canada because it has meant that there's been a continual flow of money to facilitate the ongoing program of people, so that people will have money with which to buy the necessities of life, but the Unemployment Insurance contribution, as it is called, is a premium; it is identified as a premium. Why is it identified as a premium? Well, that's the way it was orchestrated. It goes into a fund, but we all know that the Federal Government, when that fund goes down, puts more money into it.

Unemployment Insurance is being funded out of the corporate wealth of Canada, and so it should be. Unemployment Insurance does have a contributory aspect to it but we, in Canada, through Unemployment Insurance, are providing a continuation of a measure of security for all Canadians. Why am I talking about premiums, Mr. Speaker? Because old-line parties have looked upon premiums as a way of collecting revenue without facing the fact that they are really taxes; they're poll taxes. They don't take into consideration the ability of the person to pay those taxes. What a crime that is, Mr. Speaker.

In Ontario, in Alberta, you're a single person, you pay over \$300 for your Medicare premium. Alberta the same. If you're a married person you pay over \$600.00. It doesn't matter, Mr. Speaker, whether you're earning \$7,000 a year or you're earning \$100,000 a year - you see it's fair to all, you all pay the same. That's the kind of fairness, that's the kind of universality that Conservatives, like we see across from us in this Chamber, and Conservatives like Peter Pocklington and Michael Wilson - those real Progressive Conservatives throughout Canada. That's their concept of universality in health care.

Mr. Speaker, the New Democratic Party, as the CCF before it, does not look upon health care as a privilege or a licence and if you pay your premium you get the privilege or you get the licence. We believe that universal health care is a right for all and must be funded by all. We believe that the wealth of all should be used to fund universal health care.

In 1970, when we abolished Medicare premiums in this province, that, Mr. Speaker, was a massive redistribution of income in this province. Conservatives pay lip service to universality and fairness in respect to health care funding. Earlier in my contribution in the Throne Speech, I exposed the kind of idea that was being planted by Conservatives in Manitoba. Well, wouldn't you accept additional fees by doctors if you

could charge it off against your income tax? Sure you could, if you paid any tax. But, Mr. Speaker, that's — (Interjection) — There is some sickness across the aisle and not being a doctor I won't endeavour to deal with it.

Mr. Speaker, we've heard in this Budget Debate vicious, unthinking, ignorant attacks upon the economic initiatives of this government. Mr. Speaker, in days earlier we heard insults being thrown against the Jobs Fund. They talked about the "fraud" fund, Mr. Speaker. What a shame it is that those members made those statements because when they go back to their constituencies, where the Jobs Fund initiatives have recorded specific jobs for their constituents, they should hang their heads in shame, Mr. Speaker.

Mr. Speaker, honourable members, let's reflect on the kind of economic thrust they would have. The first thing they would do is eliminate the Jobs Fund; they would eliminate that spending. Well, Mr. Speaker, they would sit back and say, well, free enterprise will do it. Well, that's the kind of message that they gave Manitobans for four years, and we know what happened.

Mr. Speaker, you know, if we wanted to, we could virtually eliminate our current deficit on current spending by just cancelling the Jobs Fund spending and pay off that deficit, but that wouldn't fuel our economy; that wouldn't generate any jobs; that wouldn't do anything to try to address the sick economic era in which we live. They know that, Mr. Speaker, but they are hidebound by a doctrinaire, do-nothing philosophy that constrains the conservative thought in this country.

Mr. Speaker, what we faced when we came into office was economic stagnation. Yes, we had to prime the pump; yes, we had to facilitate the engine of private enterprise to work again. That's nothing new, it's been demonstrated in ages past but, Mr. Speaker, the proposals from the other side of this Chamber would have us reverse all that, they'd have us cut back. They say eliminate the deficit by cutting spending, and when we say cut spending where? There's a deafening silence, Mr. Speaker. They will talk about education, they'll talk about a miscellany of vague areas where they suggest they would cut government spending.

Mr. Speaker, one of the most significant features of this Budget is the fact that, for the first time in some years in this province, there has been a concerned endeavor to deal with some of the taxpayers at the bottom end of the scale.

Mr. Speaker, as a result of the carefully balanced Budget that the Honourable Finance Minister brought before us, there are 60,000 people in Manitoba, 60,000 people who file income tax returns, who will have their provincial income taxes reduced by an average of \$55.00.

Well you may say, well, you know that's really nothing, nothing of any consequence. It's of significant consequence to people in those categories, Mr. Speaker. When you appreciate the fact, and if you look at your 1983 tax return and calculate, an individual earning the minimum wage, \$4 an hour, working 40 hours a week, and if he worked the 52 weeks in the year and was paid for his two weeks holidays, he/she would earn \$8,320.00. What kind of tax would they pay, Mr. Speaker? My calculation says they would be entitled to the standard basic exemption of \$3,770, the \$100

standard deduction, a total of \$3,870, they'd have taxable income. That individual would have taxable income of \$4,450.00. They'd pay a total of \$745.40 tax. Now, that is a shame, a person on minimum wage. How would honourable members over here like to live on the minimum wage?

Mr. Speaker, I don't know. I know that they would shrink from that thought, Mr. Speaker, and yet not one of them paid any credit to the initiatives of the Finance Minister, of trying to provide some relief to the poor taxpayer in this province. Mr. Speaker, we have a sick situation in tax in this country, a very sick situation.

I referred to Peter Pocklington earlier. He was one of those leadership hopefuls for the Progressive Conservative Party who had a new answer to taxation in Canada. — (Interjection) — He was going to have a flat tax, that's right. It's the kind of thinking that Tories have, it's flat, unimaginative, universally flat. Mr. Speaker, his approach was 22 percent for everyone, 20 or 22 percent for everyone. Rich, poor, it didn't matter what you were you all paid the same, just like the premium tax that they pay in Alberta, the premium tax they pay in Ontario. Everybody gets treated alike, whether you're on the minimum wage or you're earning \$100,000.00. That's the Conservative idea of a fair kind of reform of tax in this country.

Mr. Speaker, some may well say, but Mr. Pocklington, he's kind of different, he's kind of, not only eccentric, but his economic or tax theories are rather wild.

Well, Mr. Speaker, just the other night . . . Well, I'll wait until the honourable members over there subside a little bit, Mr. Speaker.

Mr. Speaker, just the other night as I got home after our Session last night in this Chamber, I had the opportunity to watch the conclusion of a program in which Mr. Eric Kierans and Mr. Michael Wilson were talking about tax reform.

Mr. Michael Wilson had this Conservative theory, again, you know, the universal flat approach. What he would do is all tax filers would pay a flat rate of 22 percent. Kierans, to his credit, was saying, that's not fair.

A MEMBER: Point of order, Mr. Speaker.

HON. A. MACKLING: Oh, you don't have a point of order.

MR. SPEAKER: Order please.

HON. A. MACKLING: I'll answer a question at the end. Mr. Kierans, on the other hand, said, "Look, that's not fair. The person at the low end of the scale hasn't got the ability to pay that same amount of tax." The whole system, Mr. Speaker, is riddled with ridiculous anomalies in respect to tax.

The honourable Conservative spokesman was Michael Walker, I apologize to Michael Wilson. You know, we had Wilson; there are so many people in Manitoba who have the name Bob Wilson that Wilson was ringing in my ears from time to time. I know there's a great affection for that name in Manitoba and I don't want to do anything to . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please.

HON. A. MACKLING: Mr. Speaker, there is a real sickness. Well, the honourable member over there complains that he is ill. Mr. Speaker, I think he is ill because he is fixed with a paranoia that is common to Conservatives in this country; an ability not to reason, not to take a fresh look, not to consider a new way, a fair way, a just way. What they have, Mr. Speaker, is a paranoia about following polls. They have an idea that polls can lead them somewhere.

I take, Mr. Speaker, the approach of the - well, not quite the approach, reasonably close. I have some respect for polls, a good deal more than honest John Diefenbaker, however, I do respect his viewpoint in respect of polls, that they are convenient places for dogs to deal with.

Well, the Honourable Member for Sturgeon Creek thinks that's funny. I thought that when John Diefenbaker said that he was very funny.

Mr. Speaker, our tax laws are riddled with injustice. Let me, for a few moments, deal with some of that injustice. For many years democratic socialists have recognized that despite Canada's enormous wealth and the native compassion of its people, gross inequities have continued to exist in our social and economic structure.

The traditional use of the term "mixed economy" acknowledges the co-existence of private and public enterprise within our society. In Canada, the mixed economy has advanced beyond the co-existence of public and private enterprise. It has reached the stage where private business is increasingly supported by the public purse in the form of tax concessions.

The religion of capital investment has been the motivating force behind the creation of corporate states. To induce capital investments, post-war governments have looked for and have found virtually every means imaginable to provide incentives. The most important, because it is the most costly to the individual taxpayer, is the use of capital cost allowance.

Capital cost allowances are not the only concessions given to corporations, but they are the most significant in economic terms. Besides draining revenue from the government, they introduce a bias in the direction of our economic growth. As a result the individual Canadian is hit two ways. In the first place, individual taxpayers have had to make up for the revenue losses incurred by higher allowances to corporations. Let me point this out, Mr. Speaker.

In 1954, the Federal Government of the Day collected \$1.17 billion in income tax from individuals - \$1.17 billion - compared to \$1.05 billion from corporations, pretty close, not all that disparity, almost 50 percent one would say. Now, 30 years later the gap has widened dramatically to the corporation's advantage.

In 1982, Ottawa collected \$26 billion in income tax from individuals, and only \$8 billion from corporations. Let me repeat that - 1982, 26 billion from individuals; 8 billion from corporations. This means that individuals were shouldering 76 percent of the tax burden, compared to the corporations' 24 percent. What kind of government have we had in Ottawa in all those years?

Mr. Speaker, this development has taken place largely out of public view, partly because evidence of it is often

confined to footnotes. Officially, corporations pay a tax rate of 46 percent. In fact, as I stated earlier, their rates are often dramatically lower. Effective corporate tax rates reduced to 22 percent in 1980 from an average of 28 percent in 1968, down from 1968 and 1980 by 6 percentage points.

Aggregate numbers can cloud the picture because they do not reflect the considerable discrepancies within the corporate sector itself, and fail to indicate how low some individual corporate rates are. Mr. Speaker, some of the largest, most profitable corporations in Canada pay the lowest rate of tax. Shell Canada is a good example.

I would like the Honourable Member for Lakeside to recognize the fact that I am about to read. Reading the Shell Annual Report, one gets the impression that the oil giant pays an onerous burden of income tax. Shell's 1982 Annual Report pegs the company's income taxes at \$152 million on pre-tax profits of \$302 million. Let me repeat that: 1982 Annual Report, their income tax is at \$152 million on pre-tax profits of \$302 million.

In a footnote - harken, Mr. Speaker, a footnote merely - it calculates that this gives the company an effective income tax rate of 50.4 percent, a hefty rate by any standards. But another footnote - harken, Mr. Speaker, another footnote - downturns that 50.4 percent figure, turns that on its head. It indicates that Shell deferred \$199 million in taxes that year. This wipes out the \$152 million tax bill, leaves Shell with no tax to pay. In fact, Shell has a tax credit of \$47 million. How do you like that, Mr. Speaker? The bottom line is a far cry from the 50.4 percent that I first mentioned.

Deferring taxes is one of the key ways in which the tax system allows corporations to reduce their tax burdens. The word "deferred" is, in fact, misleading, because almost all cases the taxes are deferred indefinitely. David Perry, a researcher at the Canadian Tax Foundation, says and I quote: "It's not a question of owing the money at a later date. In a sense, it's a measure of tax relief provided by various measures in The Income Tax Act." It's not a matter of owing it at a later date, but a matter of tax relief. That is what David Perry says, of the Canadian Tax Foundation, not known as a socialist spokesperson.

Jean-Jacques Carrier, a spokesman for Consolidated Bathurst, puts it more bluntly and I quote: "If you ask me when we expect to pay these, I'll tell you, never." Over the years, Consolidated Bathurst has accumulated \$208 million in deferred taxes. Yet according to accepted Canadian accounting principles, companies include these deferred taxes as already being paid when they calculate their tax rates. This is why corporations report far higher income tax rates than they actually pay. It explains, for instance, why Consolidated Bathurst reported a tax rate of 34.7 percent in 1982, even though, Mr. Speaker, it paid no income tax whatsoever. — (Interjection) — Mr. Speaker, honourable members opposite don't like to hear criticism of their corporate friends, and I regret that.

Former Liberal Cabinet Minister, Eric Kierans notes that large corporations in a few sectors have reaped the most significant benefits. He says: "What does a two-year depreciation mean to a new firm? Nothing at all," says Mr. Kierans. "Deferred taxes accumulate in corporate accounts. In 1971, they amounted to \$2.78 billion." I would like the honourable members to reflect

on that. Deferred taxes in corporate accounts of \$2.78 billion. That was 1971.

At the end of 1980, they had increased almost 10 times to \$24.24 billion, more than the federal deficit at the time - deferred taxation, \$24.24 billion. In 1980, firms deferred taxes worth \$3.9 billion. These benefits were by no means equally distributed among the 450,000 firms in Canada. The 13 percent of firms that benefited so heavily from tax deferrals in 1980 are the same firms that have enjoyed the lion's share of tax deferral benefits over the years. Of \$24 billion in accumulated deferred taxes, \$19 billion were claimed by 13 percent of the Canadian firms.

In 1980, Bell Canada deferred taxes of \$129 million, bringing its total accumulated deferred taxes to \$1.2 billion; Stelco deferred \$30 million, bringing its deferred taxes to \$390 million; MacMillan Bloedel deferred \$55 million bringing its total to \$227 million. In 1982, Gulf Canada paid taxes of \$67 million and deferred \$106 million. In 1968 corporations were deferring 14 percent of their total tax bill. In 1968 they were deferring 14 percent. How many individuals in Canada can do that? None.

In 1980, these same corporations were deferring 25 percent of their tax bill. How would you like to be able to tell your constituents, don't worry, you know you had a profitable year in your farming operation, you can defer 25 percent indefinitely like the corporations do. It would be pretty nice.

The lower tax rates are generally found among the largest corporations, Mr. Speaker. The highest tax rates, an average of about 30 percent, are paid by middle-sized firms. Maybe if the Federal Government started charging interest on the deferred taxes, it would encourage large corporations to pay their share and take the load of the tax burden off the shoulders of less wealthy Canadians. But, Mr. Speaker, they don't charge interest - they are massive loans - \$24.24 billion worth of loans out there at no interest.

If a tax filer in Manitoba in my constituency doesn't pay his tax on time, he's assessed an interest penalty, but anyone of these large corporations that now owes a gross total of \$24 billion, they don't pay any interest, Mr. Speaker. There's a massive double standard in this land and it's supported by Conservative Party spokesmen throughout Canada.

Mr. Speaker, these tax inequities don't stop at corporations. Tucked away in a dull federal tax document is a little known statistic that might startle some Canadians. Mr. Speaker, I know honourable members over there are upset because they don't like their corporate friends being exposed. Some of them, I suppose, may be significant share holders in some of those corporations, I don't know. — (Interjection) — But I would like, Mr. Speaker, and I will address individuals. Now the Member for Sturgeon Creek wants to speak from his seat and he will have an opportunity at his given time to say what he will, but I know he doesn't like to hear the weakness, the sickness that exists in our private corporate sector. He doesn't want to hear this, Mr. Speaker, because he doesn't know how he could tell his constituent in Sturgeon Creek - many of them were friends of mine - how they can't defer payment of their tax when they have a profitable year, but these large corporations can.

Mr. Speaker, in 1982, 239 Canadians - these are not corporations - 239 Canadians with an annual income

of more than \$250,000 paid no income tax. This select group of Canadians was able to convince Revenue Canada they owed nothing to the public purse by claiming a series of deductions on their tax forms, deductions available to all Canadians but in most cases applicable only to the wealthy. Where does fairness and justice enter the picture? When a nurse without dependents will pay about \$5,800 in income tax this year on a salary of \$25,000, a tax rate of approximately 23 percent; a first-class police constable without dependents will pay about 25 percent on his \$32,000 in income; while the tax rate for the average single high school teacher will be roughly 26 percent on a \$33,000 salary.

Does that make sense, Mr. Speaker, when in 1982 Trans Canada Pipelines Ltd., a firm with \$4.7 billion in assets paid tax at an effective rate of 7 percent? Ironically — (Interjection) — the Honourable Member for Morris says, how many people do they employ? You see, Mr. Speaker, the kind of thinking that dominates the Conservative Party, is if someone says they're going to hire people then give them all the concessions they want. That is the attitude that's manifest in that statement by the Honourable Member for Morris. That's the kind of philosophy that dominates that party, Mr. Speaker.

Mr. Speaker, ironically when similar statistics became known in the United States 15 years ago, it sparked a public outcry that eventually led to a major change in U.S. tax law. As a result, the United States now has a minimum tax of 20 percent to ensure that high-income individuals cannot reduce their taxes to 0. I repeat, this is a minimum tax rate and that does not mean that all individuals pay a straight 20 percent as advocated by Peter Pocklington or Michael Walker.

Canada has not been so hard on its wealthy. This country still has an income tax system under which a millionaire can go tax free, while someone with an income near the poverty line, someone that's on minimum wage will pay substantial tax. Even within the same income group, there are surprising discrepancies. Some people who earn a \$100,000 a year for instance, pay tax at the rate of 30 percent, while others with the same income pay no tax at all.

It's interesting, Mr. Speaker, to learn what the Federal Finance Department has said about some of these things. The Federal Finance Department which designs Canada's tax policy has, itself, commented that such figures reflect - and this is a quotation - "a source of unfairness among taxpayers that is difficult to justify". Those comments were made in 1981 in a Finance Department brief called "Analyses of Federal Tax Expenditures for Individuals." The same document also argued that if all special tax breaks were eliminated, tax rates for all Canadians could be cut by 45 percent. Ottawa quickly retreated from promises of reform made in its November 1981 Budget after the government encountered a storm of protest - from who else - high income Canadians in business groups.

Instead of reforming the tax system to correct the inequities, the Finance Department in Ottawa simply stopped publishing information that suggested the system was unfair. It stopped, for instance, printing its tax expenditure account, which documented who was benefiting from various tax breaks. Hide things, Mr. Speaker. Not only has the Federal Government

retreated from reforming the tax system in the way it had planned, it now appears to have gone in the other direction.

In addition to reinstating most of the tax breaks it had removed in 1981, Ottawa has since created generous new ones such as research and development tax credit and planned increases in the allowable contribution levels for retirement savings plans. Both measures are primarily available to upper income groups.

Mr. Speaker, I don't know whether the Honourable Member for Lakeside has calving problems or what is giving him such discomfort at the moment, but surely he is interested in knowing something about the injustices that apply to farmers in this country when corporations and large, wealthy people in this country can, in effect, rip off the system while his constituents go without.

Mr. Speaker, the government has also lowered the top tax rate for the highest income group to about 50 percent from 65 percent. They backed down, Mr. Speaker. Carlton University economist, Irvin Gillespie, notes: "The most significant gain for the rich came in the February, 1973 Budget. In that Budget, the average benefit for families in the highest income group was \$1,823, while the average poor family gained only \$134.00."

While the rich have apparently benefited from the Federal Government's Budgets over the years, the Canadian public does not necessarily believe this to be the case. The confusion arises partly because the tax system appears to be designed to favour low income groups. Income earned above a certain level is taxed at a higher rate. The top level is known as the individual's marginal or maximum rate at which any of his income is taxed. While marginal rates rise fairly dramatically on paper, the actual rates paid by individuals do not rise nearly so rapidly. In fact, beyond an income level of \$200,000, they begin to fall.

In 1981, for example, people with incomes of more than \$250,000 theoretically had a marginal rate of 53 percent, meaning they were theoretically paying 53 percent on part of their incomes. In fact, once an average person in that income group had claimed all deductions, he or she would actually be left paying tax at an effective rate of 27.9 percent, giving him or her roughly the same effective rate as an individual earning between \$35,000 and \$40,000.00. As the Finance Department's 1981 paper points out, some individuals are extraordinarily successful in reducing their taxes.

Mr. Speaker, the vast majority of Manitobans fulfill our obligations to society, and we benefit in return from the many services that are provided collectively by our society; but a very few benefit out of all proportion to their contribution. By permitting their contribution to be withheld indefinitely, we deprive Canada of the means to bring about long overdue changes in our social priorities. Canada has enormous resources to meet the legitimate needs of its people, but those resources are pocketed by a privileged few, though they are generated by the labours of the many.

Mr. Speaker, we have had commissions and studies in respect to income tax reform. We had the Carter Commission. We even had the Progressive Conservative Party going out on a task force and listening to the problems of tax filers in Manitoba. Mr. Speaker, what

I would like to hear members of the opposition talking about, I would like to hear members of the opposition in Ottawa talking about, as New Democrats have been talking about for many many years, is that there is an unjust society in Canada; a tax system with which all Manitobans must conform; one which we must work with; one that needs basic reform; one that apparently doesn't interest the members opposite.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please, order please.

HON. A. MACKLING: Mr. Speaker, honourable members opposite are disordered. They are disordered not only in their conduct in this Legislature, they are disordered in their thinking, Mr. Speaker, because individual Manitobans want to see basic tax reform. They want to see lower taxes on individuals, Mr. Speaker, but none of the speeches we have heard have called upon this government to take up with Ottawa the concern for basic income tax reform in Canada. That is to their shame, Mr. Speaker, to their undying shame, that they snicker and sneer about the revelation of the massive rip-off by corporations in this country, and their constituents don't get any of those breaks, Mr. Speaker, to their shame.

MR. SPEAKER: Are you ready for the question?

The Honourable Member for Kirkfield Park.

MRS. G. HAMMOND: Thank you, Mr. Speaker. I welcome the opportunity to rise and say a few words on the Budget. As a member of the opposition, I certainly welcome the initiatives that this government is undertaking in hope that they do come to pass for Manitobans, because as a Manitoban as we've all said, that that's our purpose for being here, to create opportunities for our children and for their children and for our grandchildren. These opportunities can only come by the good will of the people in the province and we all know in Manitoba, that we have many of good will.

I find that reading the Budget Speech, on Page 2, it indicated that: "This Budget reflects the consensus of the people of Manitoba.

"It will build on the success we have achieved over the last two years."

Well, unfortunately, the success they achieved in the last two years was proved to be a fraud, by the Member for St. Norbert, when he gave the statistics on the Jobs Fund and the number of people that are at work now, rather than were at work when we were in government. He said, "The Minister of Finance states boldly that the NDP created 9,000 jobs, three times the increase in the last two years of the previous administration."

Well, Mr. Speaker, what happens is, these statistics clearly show in the first two years of their administration there were 1,000 less employed in Manitoba than there were when they took office and that makes the Jobs Fund into a "fraud fund." It is just a juggling of figures and short-term, 24-hour jobs in the main. It is about time that this government did bring in long-term employment because this is what we need.

They seem to be starting now at the position they could have been in with Alcan and with the Power Grid.

Now they're back to the beginning again and starting to negotiate, only instead of having a Canadian company that they're negotiating with, Alcan, they are negotiating with a multinational corporation. After reading some of the speeches of the government when they were in opposition, it almost seems unbelievable that they would even talk to a company from another country.

The Member for St. Norbert went on to say that, "If a government wants to have the confidence of the people of this province it has to tell the truth, and they refuse to tell the truth. They manipulate. They distort. They use selective statistics, and they don't tell the truth, Mr. Speaker." And that's the end of quote from the Member for St. Norbert.

I think the most amazing thing about this Budget is the fanfare that this government is giving to the exemption of the 1.5 employment tax under \$50,000.00. There is a letter that went out to all the employers and it says in part, "As you may recall, the levy was introduced in July, 1982 to secure needed replacement revenues in response to major cutbacks in federal support for health and post-secondary education programming."

Now, it has always seemed very strange to me that a government, who is supposedly pro-labor, would put a tax on employment to begin with; but this is a tax that wasn't there before, it's a totally new tax, and it's there sitting waiting, even with this reduction, to be increased. It can be increased at any time, and it indicated that in the letter, that an additional 2,000 employers, without raising the rate for the remaining 7,000 larger employers.

So they were planning on raising the 1.5. We welcome the reduction, but the problem is that employers sitting around the 50,000 level are not going to have any incentive to hire employees, so how does this help with job creation in Manitoba, where we have the small employer who might add one employee, maybe even part-time, but if he/she are sitting on that level of the 50,000 they're not going to take the chance of incurring extra taxes. So, instead of creating jobs, they're having people figure out ways that they can hold down employment. What a shame this is.

It's a disincentive to any employer who is sitting in the 50,000 range to even consider expanding because they just get slapped with a tax. The larger employers who are able to absorb probably more employees, when they get hit with the tax then why bother. Why would they bother expanding in a climate where we have a tax on employment? It just doesn't make any sense. How this government gloated when they brought in the levy. It always reminds me of the song from Al Jolson, but unfortunately it's nothing to sing about.

This is a government that came in and oh, how they crowed, and were they delighted because they hadn't brought in the sales tax. They brought in a tax - what did they call it? The employment levy. I think at the bottom of this letter it called it Health and Post-Secondary Education - oh, it's the tax branch, so they've even formed another branch to take care of this. I guess this is their job creation. It's more employees in the government, not out in the private sector, it's all government funds.

This government really gloated when they brought this in. Oh, had they done something clever, and look

at us, we're feeling so badly because they didn't bring in a sales tax. We were feeling badly all right because we recognized what was going to happen, that it was going to keep employers from hiring; it was going to create layoffs in small business, and it did. At least they saw a bit of the error of their ways, but they can't get out of it totally, only because of stubbornness and they don't want a total "I told you so." I think it's because of that that they didn't wipe out that tax altogether.

The levy, which is a tax on employment for health and post-secondary education, I have never quite been able to understand that if you're trying to help a certain portion, a certain segment of the population, that you'd slap the tax on them too, and then you give it back in grants. That's probably another way of job creation, because the more people you have in the different departments handing out these things, and aren't we wonderful, we've given you a grant. In this area in health care and in education, I don't imagine that the tax will come off there because they're very heavy with employees. They have a lot of employees and I'm sure it wouldn't cover that area, so they still get the tax.

In the letter, as usual, there would have hardly been a mention about this letter if it hadn't been for the fact that the Minister of Finance could not resist talking about the 2 percent sales tax increase proposed by the Conservatives. They just cannot resist giving that extra little kick, and it's the extra little kick that makes Manitobans just get so annoyed - because they're basically decent and they don't like to see that type of thing. So if the letter had just gone out as information there probably wouldn't have been a word about it. Instead of getting good publicity on it, they've had nothing but bad publicity on this letter.

Not only that, but they made a little deal with the Post Office that you can go in and put your mail in at 9:30 p.m. and have it delivered the next morning for no extra cost.

Now, when we tried, my husband needed a letter to get to Toronto for Monday and he was mailing it on Friday, he paid \$9 to make sure it got there. We couldn't make any little deal to make sure that it would get there so we had to pay through the nose for it, but then we're not the government, we can't make deals like that. I think that it's in areas like this that makes this government look so poor, constantly.

The Member for Turtle Mountain had indicated, when they brought in their budget and the 1.5 tax to start with, that if they had spent 2 percent less than that there wouldn't have been a need for any tax increase at all. I think if they'd kept that in mind, at the beginning, we wouldn't be into the state of affairs that this government seems to find themselves in now.

Now what we have is the 1.5 tax plus we have a 1 percent sales tax, so what's the point of crowing about what the Conservatives might have done, or what we might have been proposing when we proposed no tax increase at all. At the time we would have preferred that, and so what we got is 1.5 plus 1 percent, and the only reason that they didn't end up with a larger deficit is because the members on this side kept telling them, if you keep going the way you are you're going to end up with a \$700 million deficit. If you keep going, you're going to end up with this and things are going to get worse. And just to be ornery they decided that

well we'll cut back and then we can start crowing, and they're doing it again, they can't resist. Here they are bringing in this wonderful deficit of only \$491.9 million. Is that it? Now, that is certainly a big credit to this government to have almost \$500 million, and the operating deficit is sitting at \$236.5 million, and this government is crowing about what they're doing.

It's almost unbelievable that, because they didn't hit 700, they think they're wonderful at 500. I tell you, as someone who is used to keeping a rather balanced budget at home I could not afford the luxury of being in the hole this much and no one would allow me. I think we heard the Minister of Natural Resources talking about the average citizen, well, he might have compared it to this Budget, because the average citizen couldn't afford to be in the hole the way this government is, and because they know then that they can't do the things for their family that they want to do, if they are always in such a large deficit position. These things don't work that way. So instead of this government gloating, I think maybe they should just pay a little bit more heed. If they would just bring Budgets in without all the gloating and how wonderful we are, people might accept them a little bit more readily and they wouldn't get panned so easily.

This Budget refers to the people of Manitoba having compassion for the unemployed. Of course they do. It's there but for the grace of God go I. Businesses are still closing. Bell Foundries, just 74 jobs lost last week; farm bankruptcies are increasing; tourism is down. There's an article in the - I think it was the Press, yes the Press - about the Assiniboia Downs that the horse racing is in trouble; that from 1981-83 the daily attendance has dropped from 4,200 to 3,900 to 3,700 and they're in trouble. This is an industry I know, that draws many tourists from North and South Dakota - well now that they've got a new track in Minnesota, that's going to be the draw there - so there's got to be something done there. These are just local initiatives that the government has to face. I believe these are things that are causing problems in Manitoba so when the economy is turning around, there are many segments that are not. I think really it's been at a standstill and it's just a lot of shadows that were seen and moving from one pocket to the other.

Then we come to education and investment for the future. Well what do we have in education? We have the universities cutting staff and courses. Government raised expectations in the past two years. There's a couple of articles here and one is, students getting squeezed. It indicates that fiscal restraint combined with 9.5 percent tuition fee increases will put the squeeze on students, forcing many of them out of school. The university has announced it will cut more than 200 full and part-time staff positions and about 250 courses.

Enrolment limitations have been placed on all but arts courses. Now that's pretty rough considering that there aren't jobs out there and more students are heading back to university. I'm not questioning the need for the government, but the fact is this was the government that said, priority not neglect and it's clear choice for Manitobans. That's what was happening with education. We hear all the wonderful things that are happening from the Minister of Education but when it comes right down to it, what we have is a problem because we've got students, we've got young people

who can't get jobs and now unless they're going into arts or they're the cream of the crop, they're not going to be getting into too many other faculties either. That's a darn shame because the one hope is our children and we need to give them every opportunity.

In an article on the same topic in the Free Press, it indicates the places that they're cutting down. In one of the spots was discontinuing the installation of backflow valves to the sewage system which is required by the city. Now how does that sort of thing happen? How can a university do that type of thing and not be penalized by some type of regulation? Surely this isn't the type of thing that you stop and then you have the cost shift to another level of government because that's what happens when that sort of cutback is made.

The outgoing President, Mike Young of Students Union, also condemned the cut saying students are paying more for less. We're paying 10 percent more in fees for less services and instruction time from professors.

Now, I think during the period - I'm not sure if it was last year or the year before - that the Minister insisted on a freeze in tuition fees. I think this just gave the students a false sense of security. Boy, one year we don't have a raise in fees, but then they get slammed the next year. It's just not wise for this government to interfere in all the areas that they do. I don't think it's realistic to raise expectations and say, look how wonderful we are again, we won't allow them to raise the fees; but then a year or two later they raise it doubly and they really get it. It's pretty hard for students who are on student loans, students from the city and especially from the rural area where they must come in from out of town to go to the University of Manitoba or the University of Winnipeg. They've got extra costs. They can't live at home. So I think this is an extra problem and I don't think this government has helped it in anyway. They haven't been realistic and they haven't allowed the universities to be realistic about their budgets.

Then we come to my division, which is St. James-Assiniboia, and this year in spite of the Minister indicating that there would be 3 percent, the St. James-Assiniboia had an increase of 1.12 percent. Now this is for a division that I think has always been very fiscally responsible. We're one of the few divisions that has actually closed schools - I think they've closed four or five schools - and this is what happens to you obviously if you are fiscally responsible then they make sure they hammer you and you get less help than you might have had if you just leave these buildings to stagnate, keep students in and ask for extra grants. So I think in this way that the department certainly isn't realistic when it looks at divisions, if this is an example of what happens.

The government talks about highways and provincial roads as assets. Well if you've got an asset, it will need some upkeep and maintenance or they turn into liabilities and I think that's what's happening in Manitoba. After cutting - was it \$7 million from last year's Budget - now the Minister of Finance is saying, we're trying to put no more money than necessary into them. Well with more truck traffic expected in Manitoba, again this government is going to be scrambling and we're going to be left with a road system that certainly is not going to be an asset.

Social programs - this government has crowed about all the wonderful things they've done in the area of social programs. Well they brought in regulations, lots of regulations into day care and, oh, that was a lot of fanfare again for this. But they didn't have the money to allow the day cares to fund all these regulations, so what is the good of making regulations that automatically increase costs if the government is not going to give funding with it? Better that they go slower on the regulations so that the funding and the regulations can keep the same pace.

What did we have? We had day care associations marching practically - I think they did - on the government. Unheard of for this government. They certainly didn't hesitate to do it when we were in power but now it's a complete turnaround and they're finding that with all these regulations and things that are costing more, all of a sudden they have to choose between regulations and spaces.

They are making changes in the Children's Aid Society, decentralization, and they save no extra cost. That seems impossible that you could decentralize and not have any extra cost. There must be planning, implementation, and all these costs are taking away from helping the very people it needs to help the children and their families. So, instead of trying to change everything so no one can figure out what's happening, better they stay with some of these programs and make them work the way they are.

There was an article on women's shelters and this government has certainly had a commitment to abused women, but she said that - I'm reading an article that said: "Shelters Turn Away Women." A Dr. Black said that Winnipeg needed more shelters. Now that the Attorney-General has issued a directive telling police to lay assault charges in violent domestic situations what has happened is that when they're laying the charges then it puts these women in the stress situation - and I certainly agree with the charges being laid - but they must have more facilities for these women.

Some of the money, such as, the advertising on the Jobs Fund, the advertising for the Budget, any of these areas should be used to help women have shelter. They talk in this article about safe homes. Well that's an area that wouldn't take a lot of cost. I don't know why they are just talking about it, and why it isn't coming to pass, because I think that is something that should be investigated because it's something that could work in the city especially. I really do feel that the government is remiss in talking about these things, raising expectations and then not having any area for these women to go.

You always hear cries from the government, where are we going to get the money? Well just for a start, the Jobs Fund. I saw one of the green signs sitting outside a day care. Well if that sign hadn't been there possibly a child could have had one more piece of equipment in that day care. The Budget advertising, how much does that cost, and how much help could that . . . We're not talking about large sums of money in some of these day care situations where some equipment it could help them get. Yet, this government to put to work all the communicators they've got floating around, they can't think of enough ways to spend money - political appointees, professional hangers-onners who move from province to province or from Federal New

Democratic Party to here, where they move from B.C. to Saskatchewan, back to Manitoba, into the Federal Government, back again, wherever there's an NDP Government. Well they're going to be hard pressed to find another job after this.

We have someone in the government, David Sanders, who has a sweetheart contract, over 66,000 and all the perks while he forms a consulting corporation. They bring in their friends at the top, and then let go career civil servants.

I think, Mr. Speaker, that the best commentary on this Budget was made in the Sun. It said, "Business Pleased By Do-nothing Approach." I want to quote this article, because it says: "Business breathed a sigh of relief at the cautious NDP Budget last night. It was a do-nothing Budget, which is the best thing the business community could have hoped for. A 6 percent tax credit for business investment is a small step, but it's bigger than no step at all, and it's better than steps taken against business which we have seen in the past from the NDP."

This says it all. It was a do-nothing Budget, and that is what the business community was hoping for. Mr. Speaker, that's probably the best they were going to get from this government.

MR. SPEAKER: The Honourable Minister of Environment.

HON. G. LECUYER: Merci Monsieur le Président. Je vais donner à mes collègues en face au moins quelques secondes pour mettre leurs écouteurs. Au tout début de mes remarques, Monsieur le Président, je voudrais vous offrir mes meilleurs vœux pour la session qui est encore en ses tous débuts et je veux en souhaiter autant à tous mes collègues de la législature. Surtout je souhaite que chacun de nous qui détenons la confiance du peuple manitobain sauront nous montrer à la hauteur de la tâche pour administrer la Province dans les meilleurs intérêts de nos concitoyens. Pour rejoindre cet objectif, Monsieur le Président, je nous invite tous, c'est-à-dire tous les députés de cette Chambre à agir avec plus de tolérance et moins dans nos intérêts personnels. Je voudrais au début de mes remarques, Monsieur le Président, féliciter mon premier ministre ainsi que le ministre des finances pour le leadership et la vision qu'ils ont démontré l'un et l'autre dans le Discours du Trône et dans la présentation du budget. Monsieur le Président, quand on s'attend en quelque temps à voir ce que contient ce budget, on voit d'abord qu'il fait état de deux priorités. C'est-à-dire de mesure visant le développement économique et deuxièmement, la préservation des services de la santé. On fait état dans le budget du fait que l'emploi, ou les emplois ont augmenté en moyenne de un pour cent au Manitoba en 82 et en 83, alors qu'il diminuait partout ailleurs à l'échelle nationale. On fait état du fait que le nombre des emplois a triplé depuis 80-81. Alors, et on fait état de la croissance dans les ventes au détail. Aussi, le budget fait état du fait que si nous avions fait des erreurs dans nos projections budgétaires, nous les avons fait, pas dans le sens de ce que nous avait prédit l'opposition qui nous prédisait par contre, par exemple, des déficits allant jusqu'à peut-être un milliard de dollars. Nous avons démontré que, si nous avions fait

erreur, nous avons projeté au-delà du déficit avec lequel nous avons abouti. Nous avons projeté des revenus que les membres de l'opposition disaient être beaucoup plus ample ou vaste que ce que nous avions droit à nous attendre et finalement la fin de notre exercice financier démontre que si nous avons fait erreur, ce n'est pas parce que nous avons surestimé des revenus qui sont allés au-delà de nos projections.

Depuis notre avènement au pouvoir, nous avons eu comme objectif fondamental le développement économique. Nous avons créé plus d'emplois, de meilleurs emplois; nous avons créé des revenus garantis et ce qui s'en est suivi, c'est une qualité de vie meilleure pour bon nombre de Manitobains. Je crois que le Manitobain les Manitobains ont juste titre droit de s'orgueillir du fait que - de la performance économique de cette Province. Des taux de chômage moins élevés que partout ailleurs au Canada et des taux d'investissement qui promettent pour la relance économique de cette Province. Notre succès à combattre la récession démontre que nous sommes prêts à mettre d'avant des projets de développement économique aussi à long terme, Monsieur le Président. Je ne peux m'empêcher de noter que lorsque nos collègues de l'opposition parlent et font des remarques dans le cadre de ce discours sur le budget, la plupart d'eux font très peu allusion au budget comme tel. On les entend lire des lettres, on les entend faire état de toutes sortes de choses ou de détails qui n'ont aucun rapport à ce budget.

Monsieur le Président, j'ose croire que les membres de l'opposition réalisent eux-mêmes, même si ils ne veulent l'admettre, que ce budget reflète réellement les progrès accomplis dans cette Province et les progrès à venir. Evidemment, Monsieur le Président, il n'y a pas de quoi à s'y confondre - le Manitoba n'est pas le Paradis Terrestre. D'ailleurs, ce lieu ne se retrouve pas ailleurs sous le sol canadien. Partout, nous connaissons d'énormes difficultés auxquels nous devons faire face sur une base quotidienne. Nous avons comme législateurs de nombreux problèmes à résoudre et c'est ce à quoi nous devons adresser nos efforts les plus ardents, surtout en vue de créer des emplois en utilisant tous les moyens à notre disposition pour soutenir et accélérer la relance économique. A travers ces dernières années difficiles, nous avons fait de la création d'emplois la priorité envers laquelle nous avons misé beaucoup d'efforts, de créativité, et surtout une large part de nos ressources. Malgré les remarques, parfois dérogatoires, des membres de l'opposition, ils ne peuvent nier le fait que le fond de création d'emplois au Manitoba a eu un impact positif et significatif en faveur de la reprise économique. Nous sommes les premiers à admettre que le chômage demeure beaucoup trop élevé et pour toutes personnes dans cette catégorie, c'est-à-dire les personnes qui sont en difficultés, car le travail qu'ils n'ont pas, c'est ce qui manque à chacun des personnes dans cette catégorie, pour réaliser sa pleine dignité et sa propre créativité. Et voilà pourquoi, Monsieur le Président, dans le Discours du Trône et le budget déposé la semaine dernière, que nous faisons état non seulement de mesures que nous avons proposées depuis deux ans, mais aussi de mesures concrètes que nous proposons pour la présente année fiscale pour créer des emplois à court et à long terme. Même si les membres de

l'opposition répètent constamment leurs propos négatifs et leurs prédictions de désastre, il demeure vrai - tel que démontré par Statistiques Canada - que nous avons créé plusieurs milliers d'emplois, tout en absorbant une immigration de nouveaux Manitobains pour la plupart des jeunes couples et souvent, autrefois du Manitoba, qui nous avaient quitté durant les années du précédent régime conservateur.

Monsieur le Président, ce n'est pas par accident que le Manitoba pour la première fois depuis plusieurs décennies a la distinction d'avoir le plus faible niveau de chômeurs. Et comme je l'ai dit tout à l'heure, nous reconnaissons cependant qu'il nous faut redoubler nos efforts pour créer encore plus d'emplois. C'est là, Monsieur le Président, une façon de procéder qui est en soi différente de l'approche des membres de l'opposition qui croient plutôt au précepte que le gouvernement ne doit pas faire valoriser sa présence - il croient plutôt - mieux connu en anglais - the best government is no government. C'est cette attitude de laisser faire qui a conduit le Manitoba à la déchéance durant leur mandat. Lorsque nous sommes arrivés au pouvoir, la Province détenait le troisième rang en terme de chômage - c'est-à-dire le troisième rang de ceux qui avaient le moins de chômeurs. Et on ne trouvait mieux que de déplorer cette situation économique grave et sérieuse et tout à fait inappropriée pour le Manitoba, mais on ne trouvait mieux faire que de lever les bras, hocher la tête tout en laissant aller les choses alors que nos jeunes devaient aller ailleurs à la recherche d'emploi. Plusieurs d'entre eux et quelques-uns des membres de l'opposition en ont fait état et sont allés en Alberta en quête d'emploi. N'est-il pas curieux que aujourd'hui, la semaine dernière spécifiquement, on annonçait par exemple que l'année dernière l'Alberta avait subi une perte nette de 13,000 habitants, dont deux milles de la ville de Calgary elle-même. Sans doute, Monsieur le Président, qu'un bon nombre d'entre eux sont parmi les gens qui font partie de cette nouvelle vague d'immigration vers le Manitoba. Oui, il y a encore aujourd'hui pour le député d'Emerson qui questionne la véracité de ces commentaires, je voudrais lui signaler que ce sont les propos directement de Radio CBC qui annonçait ça mercredi soir dernier. Les membres de l'opposition font constamment référence au déficit. Ne se rendent-ils pas compte que tous les autres provinces ont aussi reconnu qu'il fallait injecter des données publiques pour stimuler l'économie. Mais leurs efforts ne sont pas allés assez loin. Ils n'ont surtout pas été conçus en vue d'une relance de l'économie. Malgré le déficit accumulé en Saskatchewan, en Alberta et en Colombie-Britannique, le chômage demeure plus élevé qu'au Manitoba et de plus, ce sont les citoyens le moins en mesure de payer dans ces provinces qui doivent subir les contrecoups des frais supplémentaires pour maintenir leurs services de santé et d'éducation. Monsieur le Président, nous avons mieux survécu les effets néfastes de la récession économique parce que nous avons fait confiance à l'avenir de cette province, parce que nous avons osé risquer les données publiques dans la créativité et la persévérance des Manitobains et nous avons osé développer de nouveaux programmes en vue d'une reprise économique équilibrée. Pendant quatre ans, les membres de l'opposition, alors qu'ils étaient au pouvoir, se sont démontré impuissant à intervenir. C'est bien sûr plus facile et moins taxant

comme formule, mais c'est aussi, à mon sens, plus irresponsable. C'est aussi pour cela qu'ils ont perdu la confiance du peuple lors des dernières élections. C'est la marque des gouvernements conservateurs d'attendre que la chance se présente et de compter uniquement sur le secteur privé qui n'ose pas non plus risquer à lui seul alors que le gouvernement se montre créatif. Si l'année dernière, nous avons connu une poussée sans précédent dans le secteur de la construction, ce ne fut pas par accident, mais plutôt ce fut un résultat de projets concrets et volontaire mis sur pied par notre gouvernement. Nous avons aussi suscité la reprise dans la construction des bâtiments publics tels que les hôpitaux, les résidences pour personnes âgées, dans le centre ville et sur les campus universitaires. En plus des nouveaux emplois créés - pour ceux qui ont des commentaires à me lancer de l'autre côté, je parle présentement de construction - en plus des nouveaux emplois créés, ce sont des générations futures qui bénéficieront de ces projets capitaux = je sais que ça trouble un peu les membres de l'opposition parce que il est évident qu'au jour le jour, il y a des emplois - même si il y a des emplois qui à un certain moment diminuent et qui sont perdus à certains endroits, il demeure vrai qu'il y en a de nouveaux qui sont créés dans de nouvelles initiatives que nous sommes à proposer justement par ce budget. Je voudrais aussi signaler pour les membres de l'opposition qui sont vite à signaler les emplois perdus et on pourrait faire une liste très longue de ce qui s'est produit justement par des situations que moi je connais pertinemment, étant député de Radisson - je connais les situations de Swift, par exemple, de Maple Leaf, qui sont des exemples concrètes - dans ma propre circonscription - et on pourrait en citer encore bien d'autres - mais on a pas, alors du mandat des conservateurs, chercher à susciter des projets correspondant à la création d'emplois. Aujourd'hui, les membres de l'opposition nous blâment pour chacun de ses emplois perdus, nous refusent tous crédits pour les projets créés et chaque fois que l'on propose les initiatives qui doivent résulter en création de nouveaux emplois, ils nous accusent d'accumuler un déficit supplémentaire. Alors, comme l'ont dit souvent mes collègues - justement - on ne peut pas l'avoir des deux côtés - et ce qu'on leurs demande - quelles sont vos suggestions de rechange. On en entend jamais.

Monsieur le Président, je n'arrive pas à concevoir comment un groupe de députés élus représentant donc un secteur important de la population de cette Province peuvent se dire agir de façon responsable dans la Législature du Manitoba alors que tout ce qu'ils ont à donner comme formule de rechange, c'est démissionner. Ça, Monsieur le Président, c'est un signe de manque d'imagination, du manque d'efforts, du manque de volonté des membres de l'opposition. On est en droit de s'attendre, Monsieur le Président, que advenant le jour où ils seront ré-élus au pouvoir, tout ce qu'ils auront à offrir à la population du Manitoba, c'est la même recette qu'ils ont servi à la population durant les années 78-81. Si les habitants du Manitoba avaient besoins d'un éducation, il l'ont - de façon toute évidente, par les projets qu'on propose, par les projets que nous avons déjà concrétisés et ceux que l'on propose dans un budget, Monsieur le Président, ils sont en droit de s'attendre que tout ce qu'ils obtiendront, les

Conservateurs ici au Manitoba, c'est la même recette qu'ils ont reçu alors que rien ne se passait; alors qu'il y avait un manque total de créativité, d'imagination, de volonté, de s'adresser au besoins des Manitobains au Manitoba.

Monsieur le Président, je vais retourner à mon texte de peur que je charris un peu trop vite lorsque je me laisse aller à ma ferveur personnelle. Je retourne à mon texte, Monsieur le Président, pour permettre aux membres de l'opposition d'arriver à saisir ce que j'avais à leur dire. Les membres de l'opposition cherchent souvent à faire valoir qu'ils sont les seuls intéressés à l'agriculture. Nous reconnaissons de notre côté, Monsieur le Président, que l'agriculture joue un rôle primordiale au Manitoba et que le budget que présentait mon collègue, le ministre des finances, faisait état par exemple, de dépenses totalisant \$6,400 par exploitation agricole et jamais, à ma connaissance, les conservateurs eux-mêmes en ont fait autant. Non pas seulement, nous reconnaissons que l'agriculture joue un rôle important au Manitoba - nous avons fait des démarches pour soutenir l'agriculture dans une période difficile, telle que des mesures

MR. SPEAKER: Order please, order please. Order please.

The Honourable Member for Arthur.

MR. J. DOWNEY: I wonder if the member would submit to a question, Mr. Speaker.

MR. SPEAKER: The Honourable Minister.

HON. G. LECUYER: Monsieur le Président, ce n'est qu'une obstruction à ce moment ici du député de l'autre côté et à ce moment ici, je propose tout simplement de continuer avec mes remarques, Monsieur le Président. Je sais que ça mis un peu de temps pour que le député comprenne ma réponse mais elle demeure celle que je lui ai donné et je n'ai pas l'intention de la changer. Face au intérêts élevés, par exemple auxquels les agriculteurs devaient faire face par rapport aux hypothèques qu'ils détenaient, nous avons proposé des mesures d'assistance. Nous avons augmenté les crédits agricoles. Nous avons créé un fonds de stabilisation des prix pour élevage de bovins et des porcs. Alors que dans la période où ils étaient aux pouvoirs et toujours, à ce que je sache, et surtout leurs collègues à Ottawa, eux ont appuyé les mesures d'intérêt élevé comme solution de rechange pour contrôler l'inflation. Il n'ont aussi pas mené une bataille très vigoureuse contre les changements au tarifs du Nid de Corbeau, et je parle en particulier de leurs collègues à Ottawa.

Monsieur le Président, je suis particulièrement fier que notre gouvernement, en plus de concentrer des effectifs importants en vue de créer des emplois et de stimuler de nouveaux investissements dans les secteurs manufacturiers et industriels a également annoncé des mesures pour favoriser l'hygiène et la sécurité du travail. Ces mesures sont étroitement, à mon sens, liées à l'économie - car ils comptent de façon importante dans la production. Nous reconnaissons qu'en période de reprise économique, il est important de redoubler nos efforts et de limiter les frais qu'occasionnent au secteur

industriel, au gouvernement et à la société, les accidents et les maladies professionnels. La législation adoptée au cours de la dernière session a marqué une étape importante dans ce domaine. En janvier 1984, nous avons renforcé le droit pour les travailleurs de refuser un travail dangereux. Nous avons rendu mandatoire la formation des comités conjoints pour la sécurité et l'hygiène du travail. Monsieur le Président, je voudrais aussi souligner qu'au sein du ministère dont j'ai la responsabilité plusieurs autres changements positifs ont été apportés au courant de la dernière session et ils sont en train d'être développés présentement, et il en résultera certains changements, surtout dans les règlements sous-jacent à la loi sur la sécurité et l'hygiène du travail.

Tout d'abord, à partir du 1^{er} avril dernier, je voudrais signaler que l'inspection des mines fut transféré au ministère de l'Environnement et de la sécurité et de l'hygiène du travail afin d'intégrer de façon compréhensive tous les facteurs reliés à l'environnement du travail. Monsieur le Président, je pense qu'il est important de signaler que pour que les travailleurs donnent leur plein rendement, il faut créer une plus grande harmonie entre travailleur et employeur. Il faut aussi qu'ils puissent participer aux décisions qui affectent leur santé et leur sécurité au travail. Nous voulons leurs offrir ces possibilités au moyen des amendements apportés à la loi sur la sécurité et l'hygiène du travail et au moyen de plusieurs amendements comme je viens de le signaler - à la loi. Les travailleurs non seulement ont-ils le droit et le devoir de refuser de travailler dans des situations dangereuses à leur santé et à leur sécurité mais aussi, ils pourront assumer une partie des responsabilités en participant au sein des comités conjoints dans l'entreprise où ils travaillent et pour qu'ils comprennent mieux le rôle qu'ils sont appelés à jouer pour améliorer les conditions pouvant affecter leur sécurité et leur santé, ils pourront bénéficier de journées d'apprentissage.

Monsieur le Président, il est grand temps que la société canadienne qui se vent industrialisée et évoluée reconnaisse que les objectifs d'une production et des niveaux de sécurité accrus ne sont pas mutuellement exclusifs. Et à cet effet, je voudrais citer un passage d'un des rapports spéciaux dans la revue sur la sécurité et la santé au travail et je cite en anglais fit's taken, Mr. Speaker, from the Canadian Occupational Health and Safety News Report of April 25, 1983, where it quotes Mr. W.L. Hetherington, who Chairman of the Canadian Manufacturer's Association: "Speaking at a recent IAPA Annual Conference, Hetherington dismissed the notion that either productivity or safety has to be sacrificed for the other. This way of thinking has seriously eroded our ability to compete, not only in the world marketplace, but right here in our own home market.

"Hetherington quoted us statistics showing that among the world's top industrial nations Canada ranks a poor 22nd in productivity." He went on to suggest that "productivity and safety should become part of an integrated strategy for corporate success." He describes it, Mr. Speaker, "as one of the keys in maximizing the contributions of human resources."

I quote further: "Employees will not contribute if management does not match or recognize their efforts." Referring to the work environment in Japan he further

on commented and I quote: "It really is not surprising that a management technique providing strong worker motivation through greater involvement in decision making produces a dramatic improvement in overall results."

Mr. Speaker, in that same article there are a number of other speakers at that conference who I think indicated very clearly the same message, that is, that productivity and workplace, health and safety are not mutually exclusive. In that sense, I believe, the steps we are proposing and undertaking in that particular sphere are very closely tied to economic development. General Mills Canada spokesman Robert Newsom also is quoted as saying that in their industry where, between 1977 and 1981, they had experienced a lost time accident every eight working days, whereas through this communication, which he describes and the greater interaction between employer and worker, this had been reduced by 69 percent. He says: "A specifically developed safety communication program, including personal letters from the vice president of operations, posters, weekly safety meetings and a combined meeting with management and workers is the process which enabled them to achieve these results."

A MEMBER: Not regulations?

HON. G. LECUYER: As a result of regulations that are already in place, yes. I'm referring to Ontario here, Mr. Speaker, for the benefit of the Member for Turtle Mountain.

Also the Construction Safety Association of Ontario representative John Shields said that "low productivity, government pressures and labor hassles are often by-products of poor accident performance." He added, that "clients who maintain a hands-off policy regarding construction safety on their property should be prepared to accept a less than optimal accident performance and undesirable situations that accompany a poor safety record."

Other safety procedures that he has described include "instituting . . . accountability for accident prevention; providing safety instructions for new employees; establishing a reasonable accident frequency objective prior to job commencement; and conducting regular project safety audits."

Mr. Speaker, in essence, what I wish to draw attention to through those quotations was the effect that there is a very closely tied link - contrary to what is commonly believed - between health and safety of workers and profits and increased productivity. I think that the countries, such as, Japan have shown that through such techniques of motivation and interaction and communication that they can bring about, indeed, beneficial results for all.

I think, perhaps, Mr. Speaker, I will conclude at this point by saying that - and I will say it in French, Mr. Speaker.

A mon sens, il n'y a pas de gouvernement dans le passé et certainement pas le gouvernement qui nous a précédé, n'a déployé autant que ce gouvernement dans l'espace de deux ans, autant d'efforts pour se mettre à la fois à l'écoute et en consultation avec tous les secteurs de la société - il n'y a aucun gouvernement qui s'est préoccupé autant des suggestions

représentant tous les secteurs de la société pour mettre en place des mesures efficaces et réelles pour la relance économique. Je suis fier de ce que nous avons accomplis jusqu'à maintenant et je suis confiant, Monsieur le Président, que les mesures contenues dans le Discours du Trône et dans le budget qui nous a été présenté tout récemment nous apporteront des résultats que nous projetons et qui - je pense - seront en soi le juste retour pour la confiance que nous avons mis dans l'économie du Manitoba. Merci, Monsieur le Président.

MR. SPEAKER: Are you ready for the question?
The Honourable Member for Roblin-Russell.

MR. W. MCKENZIE: Mr. Speaker, I don't know whether I can join in this backslapping that's so prevalent across the way now in this Budget debate or not. It's a new found way of debating and bringing the messages of the Government of the Day to the people of this province, and now you do your own backslapping and you put your own comments and print in Budget.

Mr. Speaker, I find it a privilege to speak on the Budget. Of all the debates that I take the most interest in in the Legislature, I think the Budget tops them all. The reasons are many, Mr. Speaker. It gives me and the people of the province, Canadians, Americans, a chance to take a look at the performance of our people, the performance of our government, the performance of our business community, the performance of our agricultural sector. It gives us, generally speaking, Mr. Speaker, a pretty good conception of what's going on in the province.

Mr. Speaker, I went out of my way this morning and last night to read back over the years some of the Budgets that were addressed to this Assembly, to see if I could find anything close to this document that we have before us now, this 1984 Manitoba Budget Address, of propaganda, misleading statements, half-truths, quarter-truths, backslapping. I can't, to the best of my knowledge, Mr. Speaker, and I took the liberty of reading some of your comments over the years in Budget speeches, and I'm sure you will join my in my sentiments in this matter, that this is the first time that I have ever seen a Budget that has tried, for whatever reason, to mislead, either us or the man on the street or the investor, or who are they trying to misguide? Mr. Speaker this one has . . .

MR. SPEAKER: Order please, order please.

It is not in order to accuse members of the government from issuing a misleading statement. The honourable member should not do so.

MR. W. MCKENZIE: Well, Mr. Speaker, how can I put it? What other word can I use? Is it unparliamentary to use the word "misleading?" If there's some other word I'll be more than prepared to withdraw that, Mr. Speaker, and insert that other word if you'll guide me.

Mr. Speaker, all governments, historically in this province for decades, have done good for the people of this province, and this government certainly has done some good things for the people of this province. Let's not take anything away from them, but they are not the best government that this province has ever had.

In fact, most people that you meet on the street will say they're the worst, they're the worst, it's interesting.

One has to only recognize how badly they're mismanaging the affairs of the province, to look at the question period today on motorcycle helmets. Now what businessman, or what small entrepreneur of this province, would do to the motorcycle boys like this Minister of Finance did? They put a law in making it mandatory that you had to wear helmets and, of course, they had to pay the sales tax. Now that they've all got their motorcycle helmets and they've all purchased them, he comes in this Budget, Mr. Speaker, and removes the sales tax. Now, that is the brains of a financial genius. That shows you the mentality of this government and this Minister of Finance.

Let's look at the payroll tax. Mr. Speaker, this Minister of Finance has learned the hard way. He's learned from the churches in this province, what this terrible tax that they were levying on those that like to go to church, this payroll tax. He's learned from entrepreneurs and small businessmen in this province who absolutely refuse to pay it; he's learned from guys like me and other MLA's and other people across the province because of late filing on this \$20 penalty, that they wouldn't pay it. It was ridiculous, but that's the kind of a Finance Minister that we have guiding our destiny and presenting this Budget.

Mr. Speaker, the other quarrel that I have with this government, and I'll quarrel with the Federal Government before I get into my Budget address. I think this government should have resigned office for the mismanagement of the language issue. Without a mandate they were sadly and quickly defeated by the people; they were defied and defeated in this House. They lost the issue but they screwed up their courage and they walked back to their chairs and said, "We're still government."

I'm also annoyed about the way the Federal Government and some of their Ministers of the Crown operate today, Mr. Speaker, who are out stomping this province as Ministers of various portfolios in conflict with policies of the Government of the Day, espousing them almost on a daily basis that they're in conflict with that Minister or in conflict with that and yet they don't have the guts or the courage to resign their portfolios before they go to the . . . I think that is a tragedy for the political system in our country and for our people. I think the people of this country deserve a higher quality of politicians than we're enjoying in many cases today, Mr. Speaker. I think that Canada deserves a better type of politician, and we in this province I think, are going to have to take a look at the future.

If ever again it happens that a conflict comes up in this House where it did on the language issue and the government of the day, certainly they didn't have a mandate, but they proceeded against the wishes of the people and were defeated. They still think that they have the right and the rule to govern, Mr. Speaker.

Mr. Speaker, Roblin-Russell constituency will be celebrating their centennial year. The R.M. of Silver Creek, the R.M. of Rosburn, and I think there are three municipalities this year that will be celebrating their centennial year.

We also, Mr. Speaker, would like to invite you and anybody else to come to that great blue grass and

western music festival that we have every year at Boggy Creek. It's got great events. Blue grass banjo pickers and fiddle players come there from all across North America, Mr. Speaker, and we have a ball there every year. It's had its ups and downs, but it's still going to carry on.

The summer fairs, Mr. Speaker, we'll invite all the Members of the Legislature to the summer fairs at Gilbert Plains, Grandview, Roblin-Russell which are annual. Come out and visit them and the racing circuit that takes place in my constituency. I think, when we get to the Estimates, we're going to have to discuss in some detail the horse racing industry in this province because there are quite a number of problems that are surfacing and must be dealt with. I'm sure we can discuss them in the Estimates.

I'm also wondering, and I had a lot of phone calls why the Finance Minister didn't mention the potash development in his Budget. Saskatchewan, they tell me, is booming. They are running 24-hour shifts. They haven't been running 24 hours a day for a long time. They're now going 24 hours a day in Saskatchewan - potash. We left almost a ready-made deal with the municipality there. I thought the thing was ready to be signed, and I don't know why the Finance Minister didn't mention it in his document.

The demands for the potash, one only has to travel up and down the highway between here and Roblin and my constituency, to see trainload after trainload after trainload of potash that is moving out of the west. We haven't even mentioned in this Budget that there is a possibility of that scene in this province even being discussed.

Mr. Speaker, I also wonder why - and I'm not sure if the Minister of Finance is a hunter or not - some of the terrible illegal hunting practices that's going on in the province - he avoided that. We'll get to that anyway, Mr. Speaker.

Mr. Speaker, before one gets into this Budget, and I say there are a lot of things in the Budget I like and there are a lot that I don't like.

A MEMBER: What do you like?

MR. W. MCKENZIE: Well I can tell you that, taking that 1.5 percent off, where you should have taken it all off. In fact, you should have used the example that the Member for Turtle Mountain brought forth, the exemption of \$50,000 right across the board and save all this paperwork, Mr. Speaker.

I think the capital gains exemption from 100,000 to 150,000, but I think those are the guys that have got trouble out in the farm today which I'm going to deal with later. Those are not the guys you're giving that exemption to, that need help today. It's the wrong crowd.

A MEMBER: We shouldn't have done it?

MR. W. MCKENZIE: Well, it's the wrong people. We could have taken that effort and initiative that you are taking to do that, and provided for these guys that are going broke which I'll deal with in a few minutes. That's where we should have put our thrust, Mr. Speaker.

But, Mr. Speaker, when one opens up this "Clear Choice for Manitobans," and then digs through that,

and then tries to compare it with this Budget, I just wondered last night if I was actually a fool or what was wrong with me, because I read one and then read the other and tried to make, if I could put one together somehow, make them compatible. Mr. Speaker, I failed. I didn't sleep much last night worrying. I wondered if it was my problem, or if this government is going in about 14 different directions, Mr. Speaker. I think the latter is fairly close to the fact of what is taking place, because one reads this, "A Clear Choice for Manitobans: Policies of the New Democratic Party," and then leafs through this Budget to see where this philosophy comes for this Budget, you won't find very much of it, Mr. Speaker. You wouldn't find hardly anything in there that's compatible.

I suppose, Mr. Speaker, the reason maybe is because of the fact that the polls that have been coming - the one that came out of the university the other day showing - (Interjection) - well that's the last poll, I guess, that came out. The one at the university was the last one, I understand. So it appears that the government is floundering. That poll, I think, indicates fairly strongly that this Premier and this government are floundering. They can't carry the ball. They don't know how to deal with the problems according to some of the statistics that Mason gathered.

"NDP support crumbling." Mason says, his research is more accurate than that done by private polling companies such as Gallup.

A MEMBER: Did he say that?

MR. W. MCKENZIE: Yes, but the Premier called it out-of-date. Of course, Mr. Speaker, we go back to the problems that they have with our friend, Mr. Chornopyski, which I dealt with in the Throne Speech - Chornopyski and Skowron; and then the Honourable Member for Elmwood, who was forced to walk away from the party and leave it because he told the truth, because he stood up for the rights of the people in Elmwood constituencies, because he did what the people in Elmwood constituency instructed him to do. He was forced to walk away.

A MEMBER: Walk the plank.

MR. W. MCKENZIE: Walk the plank. Then, of course, came that Laxer Report out of Ottawa supported by Lorne Nystrom, that must have been earth-shattering, and again proves to me, Mr. Speaker, and to a lot of people that this government can't govern this province properly. They can't. Is Laxer wrong? Is Nystrom wrong? Is Chornopyski wrong? Is Skowron wrong? Russ Doern, the Member for Elmwood?

It is a strange set of circumstances, Mr. Speaker, and yet we have to deal with these people almost on a daily basis and accept the fact that they're the ones that are governing this province. These are the policies that these people are telling them that are out-dated and should be scrapped. Laxer says - what did he say? He said it was a 19th Century type of policies, they're out-dated and have proved they're unworkable and yet, this government is pursuing them.

Nystrom said, "Many members of the party agree with Laxer. That government can't spend its way to a

better unemployment rate." Yet we have these guys standing up here day-after-day, and saying that by this Jobs Fund they're going to spend their way out of this problem. Nystrom says, you can't do it. Laxer says, you can't do it. "A few of us have been saying for quite a while that we have to have an updating of our economic policies," said Nystrom. What is that again? "A few of us . . . " - only a few - ". . . have been saying for quite a while that we have to have an updating of our economic policies."

He goes on and he and Laxer say, "The party must entirely rethink its economic positions." The New Democratic Party must entirely rethink its economic positions. Mr. Speaker, he goes on to say - for the benefit of the Honourable Member for Ste. Rose, he says: "The party has failed to understand the importance of foreign indebtedness." Indeed he goes on and he says, "A major failing of the party is its lack of success in articulating an industrial strategy" - lack of success, - failure in articulating an industrial strategy.

Yet the Minister of Finance, all through this document, this Budget, is trying to stand up and prove to us that they know all the answers and this Jobs Fund is going to save the people of this province from the economic recession that we're facing at the present time.

It's strange. It also says to close out this study that the party has ignored the major threat presented by the Progressive Conservative Party. Then, of course, Mr. Speaker, we get these Dear John letters that the Premier sends out. There's a flock of them that's been floating in my mail. Here's the one they all got. This is the big Christmas one, no, this is the November 21st one. Well Howard had just read the Laxer-Nystrom poll and then he dispatched this letter out. He says here: "Two years of working and learning together." That's not what Nystrom and Laxer said, not at all. Two years of developing services for people and strengthening the economic foundations of Manitoba. Of course, he goes on here, he says: "Soon you and I and all of Manitoba will be called to the polls to elect our next Federal Government." He goes on in supporting the feds.

Then came the great Christmas letter, Mr. Speaker, another Dear John one. The Premier, he says: You hate it when politicians wriggle away from tough problems and pass the buck." That was the opening statement in the Christmas letter. He says: "I don't blame you. As citizens we all help choose this government." He says, and this is a strange thing, the Premier says "we expect it" and he's referring to the government, "we expect it to really deal with problems, not duck them like we are in the Budget." He goes on and compares the language issue. He says, "For over 100 years no one has even tried to deal with this problem." Is that true or false?

SOME HONOURABLE MEMBERS: False. Absolutely false. Bald-faced lie.

MR. W. MCKENZIE: He says here, "For over 100 years," this is a statement of the First Minister, "no one has even tried to deal with this problem." It's strange, Mr. Speaker.

He says here and he encloses a PS, "The Pawley Government is working on the problems, not sweeping them under the rug." They're looking for money. Mr.

Speaker, it goes on. Here comes a Winnipeg Sun article, January 10th, "Hard To Get The Truth From The Pawley Government." Hard to get the truth from the Pawley Government. This editorial writer says, "It seems that Howard Pawley's Government is such a reverence for the truth that it won't cheapen the commodity by chucking it about in great gobs." No truer words were ever spoken.

A MEMBER: That's right Wally, that's right.

MR. W. MCKENZIE: Yet, we're dealing with the fiscal and monetary matters of this province, Mr. Speaker. This is what the editorial writers of this capital city of ours are saying about this government. It says, "it seems Howard Pawley's Government has such a reverence for the truth that it won't cheapen the commodity by chucking it about in great gobs." That's the editorial writer in one of the papers. To tell the public the absolute minimum, that will suffice; that seems to be the Pawley policy and no truer words were never spoken, no truer words.

Then, January 10th, 1984 - Sun - then, of course, the article goes at some great length of this disaster-prone Member for Brandon East, Mr. Evans, who I'm sure will be dealt with later on in the course of this debate. Mr. Speaker, this is the third chance that this Minister of Finance and this government has had to budget the affairs of our province. As I see it, regardless of all the backslapping and the propaganda and the pictures and the media shots and how they put it across, I don't think that the Budget has, I'd say, very little impact on the average citizen walking around in this province today.

And many people that I spoke to in my constituency said they think it's the sign of a government that's falling apart at the seams. It's a tired government; it's weak. As Laxer and Nystrom says, it has no economic strategy, it has no industrial strategy and I doubt very much if it has any monetary or fiscal strategy for the rest of its regime in this province. — (Interjection) — Well, we've been through that, it's bankrupt. I listened to the Member for Ste. Rose yesterday about all these great things they're supposed to be offering Manitobans for the future. I would say that he's bankrupt yesterday. The stuff he put on the record yesterday as a Minister of the Crown is old stuff, I've heard it over and over again.

They failed their election promises, yet Howard said in that great statement there with his picture, like he does with a pen in his hand and smiling, "we can improve the quality of life in small towns and rural communities." I just invite his Ministers to come out to some of these small towns and rural communities and tell them, in the coffee shops and in the service industries and in the garage and the grocery store, that they have improved the quality of life. It's more of that so-called backslapping that they've got themselves so familiar with, Mr. Speaker, because the man on the street isn't telling us out there that they're doing that good.

I think, Mr. Speaker, part of the problem that this government has got itself into is that too many of the decisions on economic matters are made on the basis of people that have very little, if any, knowledge about

what the economy is all about, what a western economy, what a rural economy is all about. Because when you look across that bench back and forth, I've come back to my desk on most days and said, who would help me in Roblin-Russell constituency with some of the serious problems they have out there. Which one of those Ministers of the Crown could I walk over and shake hands with and say, come out and help solve some of the problems in Roblin. Maybe if there is a hope it would be the Honourable Member for Ste. Rose, but the Minister of Finance and the government fail to address themselves to those problems which I'll deal with later in my address.

I don't know why, Mr. Speaker, that they avoid these problems because they've known they were there for a long time. We saw a classic example of what we in this Legislature could do in the Throne Speech debate. We agreed here, in a matter of a very few moments, to get a resolution together with unanimous consent of the House and draft it on the stabilization at work. They're not asking us in the presentation of this Budget. Most of the remarks of the Minister of Finance is criticizing us for things that we have stood for, or things that we have done in the province over the years, or comparing us with the Americans, Simon and North Dakota statistics.

The other comments that I am getting from my constituency, Mr. Speaker, is they wonder when this government is going to realize that this propaganda machine has got to be shut down because I dare say that 99 percent of the people in this province know that they have the biggest propaganda machine operating across the way that this province has ever seen. Everybody knows it, everybody reads this garbage and, in a lot of cases, it comes out from that machine, and yet they still keep cranking it out, reams and reams and reams of it. Why don't you just back off and listen to the people for a change, instead of trying to make them believe that it's your way?

Of course, as an old-timer told me the other day, Mr. Speaker, these socialists think they know how to look after the people better than the people know how to look after themselves. In fact, he said, this gang over here are likely one of the greatest believers in this cradle-to-the-grave philosophy. You trust us, we'll take all your money, we'll guarantee that you'll be looked after from the cradle to the grave, but you won't have much of a future in this province and you won't have much money in your pocket and it's doubtful that you'll have a job. That's the old socialist dogma, cradle to the grave, and of course, their deficit financing has proved that.

Mr. Speaker, the other thing that I had a real nightmare with in this Budget is the statistics. The selective, the most selective statistics and graphs and mathematical propositions, I dare say, I've ever seen in a Budget all the years that I've been here. I wonder why the Minister of Finance had to do it that way. Was that another shot of propaganda that we're going to get in Budgets from now on - rather than the facts?

I don't know, Mr. Speaker. I would think that we in the province deserve a better type of Budget; a better-framed Budget; a Budget that is more meaningful and more understanding of the facts and the things that are taking place in this province. I think the province should have a better forecasting type of system than

this Minister of Finance has predicted in his government, because I don't see anything except they're going to measure the rainfall for the farmers. That's about the only thing this government has for the future out there.

Mr. Speaker, I've tried over and over again to figure it out. I don't know if they're trying to hide this \$500 million deficit for the second year in a row. Are they trying to bluff the public, mislead the public? I think they have bluffed the press. I think the Finance Minister has bluffed the press in parts of this Budget. I don't think he's going to bluff the opposition, Mr. Speaker, and I don't think he's going to bluff the financial experts across this country and through the United States of America, who go at some great length to take a look at this Budget material.

Mr. Speaker, it's there and we're going to try and deal with it the best way we can. So I ask the Minister of Finance and the government and the House Leader, what are we going to do about these farmers that are walking away from their farms in our province today by the dozens? By the dozens. Driven away. Whichever way you want to put it. What does the Minister of Finance direct to that in his Budget? The most serious agricultural problem that this province has seen since the Dirty Thirties.

I'm disappointed in the Member for Ste. Rose, who stood in his place yesterday and never even mentioned the fact of the Maguets at Ste. Rose and that long-standing family that's been in that country for - what? - three generations and they're walking away, driven away. He never even mentioned it, and yet he's a Minister of the Crown. There are dozens and dozens and dozens of families in this province in the same box as the Maguets. Why didn't the Honourable Member of Ste. Rose, at the Cabinet Table - or go in and talk with the Minister of Finance and find some way that we can save these? These are the salt of the earth, these people, Mr. Speaker. It's strange, Mr. Speaker, it's strange.

De Havilland Aircraft in Toronto. My gosh, what kind of bucks did they blow down the drain? Billions and billions of dollars, Mr. Speaker. And do you know what they did the other day? They gave the executives bonuses of \$155,000 each - (Interjection) - That's right. Because they said they had to keep these solid managers. Those are some of the types of people that we see this government have on the payroll and have the same understanding of the problems of the country, highly-paid people that actually don't care, Mr. Speaker. I tell you, many small businesses in Manitoba today wouldn't give anybody a bonus for helping them go in a deficit position of \$800 million, the aircraft industry. Would you, Mr. Minister of Finance? Would you, Mr. Speaker? No. But that's the "in" thing today. Inefficiency. People that don't know how to manage their affairs are getting tremendous salaries and raises and laughing because they're using deficit financing.

Mr. Speaker, I don't understand it. The matter is going to have to be dealt with very quickly by this government or else it's going to be too late. We'll lose all this young wealth of farming talent that we have in this province. Where are they going to go? On the Jobs Fund? Have you got a Jobs Fund for farmers when they're having auction sales, after the auction sales are over? Have you got anything in mind at all? I'm asking, seriously, looking through this Budget. No, they haven't, Mr. Speaker.

Certainly the Grain Stabilization discussion and resolution that we had in the House the other day and the fact that we were able to pass it quickly was a good thing to do. But those cheques, Mr. Speaker, are not going to come to our farmers out in the province until October, if at all. What good will they be to them in October? They need the money now. While the Honourable Minister of Agriculture has offered to bring the legislative changes in the House of Commons at the earliest possible date, they need the money now.

Strange, Mr. Speaker. I wonder if the stabilization - and I'd like to see the Minister of Agriculture rise in his place some day and tell us if that's the way that this country could go, because up to now there have only been two pay outs out of the Stabilization Fund, and of course the Feds put in \$2.00 for every dollar the farmer put in. But I wonder, with the way the government has got involved in the farming industry today, if in fact that was any solution to the farmer.

Mr. Speaker, the real problem that the farmer faces today is the low prices that he's getting for his primary products. I guess they're getting the same grain prices today, the average farmer, that he got 20 years ago. They haven't changed that much; very little, if any. Yet he's had to face all these escalating, inflationary costs. This Minister of Finance is going to put some more on their backs with that tax on diesel fuel. The farmers will have to bear a goodly portion of that. The tax on the gasohol, those farmers in the province who were thinking of using gasohol in the province, a half-cent a litre on gasohol. It gives you an idea as to how much respect the Member for Ste. Rose has for the farm community or people like the Maguets, when he let his Finance Minister put some more taxes on the farm community, Mr. Speaker.

I don't know, Mr. Speaker, I don't know. I would have thought that the Minister of Finance and the government would have had some direction for the farming community in this province in the Budget, but it's not there. They are going to give us the rainfall in the Legislature whenever the opportunity presents it, Mr. Speaker . . .

MR. SPEAKER: Order please.

MR. W. MCKENZIE: There's a long list of problems in agriculture. My colleague, the Member for Arthur, dwelt with one today on the chicken industry - real problems.

What about the milk producers in our province? The problems that they're having with quota, and the young milk producers in my constituency today have been told that they can't have any more quota. They've got all the cows out there and what are they going to do with them? Pour the milk down the drain? Well, the problem is there, and they are people and they deserve the attention of this government. Those problems didn't come up when we were a Government of the Day. There are live, real problems today, facing this government. I ask the Minister of Finance and his cabinet colleagues who are sitting around here, we better start dealing with it. These are the young, energetic dairy farmers of this province who are having problems with their quota, Mr. Speaker.

The other problems, of course, Mr. Speaker, I have had several inquiries about the Manitoba Market Weekly

Report which the government has seemed to cut back. Most of the farmers that have been in touch with me feel that was one of the most valuable documents that crossed their desks, but for some strange reason the Minister has said, "We'll try to work toward developing a program equal to if not better than the system recently used." Of course, I suspect the propaganda machine wouldn't let that document carry on.

Mr. Speaker, I am wondering about the canola industry. I didn't even see a line in the Budget about the canola industry and the important role it is not only playing but will play in the year ahead if the grain prices stay at the present level. I dare say that is one of the industries in this province that is at least trying to survive. It's not even mentioned, Mr. Speaker, in the Budget.

That, of course, was sort of an insult to the people in my constituency because of the fact that Manitoba Pool and Sask Pool have seen fit to build that plant on the border of Saskatchewan and Manitoba. Mr. Speaker, with all the urgency and all the intensity that I can possibly deliver to this Chamber and to this Minister of Finance, the problems out there in agriculture today are very very serious. We in this Legislature and this government have got to do a lot more than they've done up to now, or else all the Budgets and all the stacks of papers and figures that we'll be dealing with are not going to save that industry.

That is a tragedy, because that is our No. 1 industry in this province, Mr. Speaker. I don't know why. Is it because the Member for Lac du Bonnet and the Member for Ste. Rose can't carry the ball in Cabinet? Are you being pushed to the back row, or can you not get these problems laid on the table of this government, Mr. Speaker? The Minister from Ste. Rose puts his hand out a lot. I don't know either, but I would sure like to know why we can't get some action out of this government.

I don't know whether it is money that is needed or not, but I can tell you that some of my colleagues have taken the opportunity to get a hold of MACC the other day and get some of their legal people to work. They did save a farmer from being foreclosed on. Why can't we use that, Mr. Speaker? I don't know.

Everybody holds his hand out. The Member for Ste. Rose - I'm told by some of my colleagues, Mr. Speaker, that the legal boys, the fraternity in MACC did go and save one farmer from being foreclosed upon. Why can't we do that? He doesn't know. He puts his hands up. They're the government. I am just asking, Mr. Speaker.

Mr. Speaker, we need a new farm voice out of this caucus over there. The only hope I see is the Member for Lac du Bonnet because, they tell me in the halls today, the Member for Ste. Rose is seriously thinking of retiring. He is going out to pasture, I'm told, so there would be no use of putting him in that spot. So where can we get a new farm voice, or a new direction, or somebody new to take over that portfolio and give us the guidance and the leadership that we need in this province, Mr. Speaker?

Mr. Speaker, I see in one of the Orders-in-Council that crossed my desk the other day, some \$8 million for Careerstart, I think it was. I'm wondering — (Interjection) — no, I just saw this Order-in-Council went flashing across my desk the other day. I saw some \$8 million but in the interval, Mr. Speaker, I had one

small business, a man in Gilbert Plains whom I raised in the House the other day. I think he had three, he wanted to hire four employees. He was told by the Dauphin office, there is no money. Within a couple of days, they finally gave him half of one employee.

Then three days later, Mr. Speaker, I got a call from Russell. One of the well-known Russell businessmen says, yes, I'll do everything I can with Careerstart. I'll take three or four, or whatever they can give me. You know what he got, Mr. Speaker? He got half of one. He got the other half of the other one. So the guy will work in Gilbert Plains in the morning, and Russell in the afternoon - one person.

They think, Mr. Speaker, that they are going out to help the small-business community in this province. Do they think they're really serious? Do you think that I, in any way, accept this kind of garbage that you're pumping out from that propaganda machine, that you're real, and that you have an idea and an understanding of these people? It's a bunch of junk.

Mr. Speaker, when you phone the Dauphin office or the Brandon office, they say, we've got no money. Yet here is \$8 million rolling across. So that is likely going to go only to the ones that are carrying NDP cards, the insiders, the ones with the green cards. They'll get the jobs — (Interjection) — I don't know what the card is.

How come these people - and these are good businesses. These are thriving businesses, Mr. Speaker. It is strange, and I don't have the answers. Mr. Speaker, I very conscientiously provided both.

Mr. Speaker, in closing, I regret that I will not be able to support the Budget that's before us, but I will be supporting the motion presented by my Leader.

Thank you kindly.

MR. SPEAKER: Are you ready for the question?

The Honourable Member for Inkster.

MR. D. SCOTT: Thank you very much, Mr. Speaker. It is indeed a pleasure to rise in my place this afternoon to speak in support of this Budget.

Mr. Speaker, this Budget is just one more example of this government's good management of the economy of Manitoba, of this government's very good management. The members opposite can heckle, can laugh and catcall - whatever they wish - but if they go back and they look at their record of office, of the residuals they left us with when they left office, of their fear to go to an election because of waiting to call the election in the spring of '82 instead of running in the fall of '81 because they didn't want to let the people of Manitoba know what the latest economic statistics in the province were, what the projections were for the Province of Manitoba, what their deficit would produce after just three-and-a-half short years in office.

Mr. Speaker, in those three years, we have turned things around to a very large measure. We have seen, in this province, the results of a government that does not go out and try and be combative, try to insult everybody under the sky, try to bring disrepute upon Manitobans or upon those who are perhaps leaving the province. The numbers of people who have left the province since we have come to office has turned around dramatically.

When the members opposite were in office, we had for modern times, record losses of population. The people of Manitoba know what they face when they leave this province and go off to some Tory province, what their likelihood is going to be of having a prosperous economic future. This is very indicative of the statement tabled by the Honourable Member for Brandon East just last week, showing the net migration, interprovincial migration. Manitoba has dropped dramatically from a period in '79 in their mid-term in office from a loss of 14,000 people net out-migration in the Province of Manitoba, to last year, 104 people.

Yes, if it was coloured red and blue then I think we would be able to pick out which years at least we were in office and which years they were in office - which they have some difficulties in doing in the garbage that they produced and sent around to Manitobans a couple of weeks ago. The indication is so very clear of Manitobans' confidence in the future of this province, their confidence in the government, and the confidence of people outside of Manitoba who are coming to the province in higher numbers than previous as well.

I would like to pick up on a point raised this afternoon - and I think well raised this afternoon - by the Honourable Minister for Natural Resources. This is dealing with taxation, the need for tax reform in this country, the difficulties that we at a provincial level have to implement tax reform, for we through federal-provincial arrangements and agreements signed years and years ago and are still continuing, are tied in on the income tax structure to a percentage of the federal tax. Mr. Speaker, that base in tying us into a federal system, ties us into all of their loopholes, ties us into situations, as was described last night in the Journal, that each and every one of us in this Legislature know full well exist where you have very very high income persons paying absolutely no tax at all or a very low percentage of their overall income.

I was this afternoon looking through the Saskatchewan project and picking out some interprovincial comparisons based on last year's - the 1984 interprovincial comparison of personal taxes and charges - in their comparison, the Manitoba Budget was not yet released, so the Manitoba figures are somewhat out because they omit the lower income tax reductions which are going to affect some 60,000 Manitobans taxwise. That will reduce the figures and taxable figures for Manitobans by - on the figures that are used here - just over \$50 to \$54 or so - of a reduction for an income earner of \$15,000.00.

Mr. Speaker, if you look at the interprovincial comparisons of taxes and if you look at the number of people who are paying these taxes - and I went back to the most recent figures as far as numbers of tax filers come from 1981 from Revenue Canada - if you look at the number of tax filers with incomes of \$15,000 and less, the total numbers of returns, both taxable and non-taxable returns, because here in Manitoba a lot of people file income tax returns who will not be paying tax but will be getting tax credits back - they will be getting revenue back - and that is why they file to claim their tax credits - and that under \$15,000 income group represents some 65 percent of the total number of tax filers in this province.

Of those paying taxes, the taxable incomes, they represent 43 percent of all the income tax payers in

Manitoba. When one moves up - just up to \$25,000 - one picks up another 141,000 tax filers or for 34.8 percent of the total number of taxes. The total including the taxable and non-taxable come out to 144,400 tax filers or 31 percent that would work out to, of the total number of income tax filers.

When you move up to the upper categories, in the 25,000 to 40,000 range are down to only 17 percent of the filers, 69,000 taxable returns. When you go over the 40,000 tax bracket, you're down to only 5 percent of the tax filers. There are some 20,571 as of 1981 with income over \$40,000 who paid taxes. Out of a total of 21,260 returns giving 689 people in Manitoba who had incomes of over \$40,000 in 1981, who paid absolutely no provincial income tax. Mr. Speaker, these anomalies are built into our tax system because of the number of loopholes that are built into our federal tax base.

If you look at the progressivity of our taxes here in Manitoba, you will find interprovincial comparisons - and this is a Saskatchewan budget - showing us for those under \$15,000 or had a family of 4, in other words two parents, two children with an income of \$15,000 would pay in Manitoba \$1,896 in total - not just taxes, the taxes were only \$246 - then they go and they add in car insurance, telephones, home heating, electricity, all based here on Crown Corporations, and in Saskatchewan in Crown Corporations - they are not in many other provinces, at least some of them are not. Telephones, car insurance and our home heating is certainly not. One finds that we have the second lowest tax charges in the whole country. I think that's pretty commendable for a province like Manitoba, a smaller province, a province that must be careful in raising funds to be able to provide more services and a province that gives services second to none in this country. These are the people who will benefit most from those services, too, are the under \$15,000 income group.

The taxes for that group of people go all the way up, Mr. Speaker, to an amount of \$4,082 for the same income, same family in Prince Edward Island. In Ontario, wealthy Ontario, it is almost twice the amount, at

\$3,559.00. In Ontario of course the people are saddled with \$510 worth of tax premiums, and this family would be saddled with that; a higher sales tax as well and a somewhat higher retail gasoline tax. So the marginal tax rate, although our marginal tax rate is somewhat higher than theirs is - in other words ours is 54.5 percent - Ontario's is less than that but because the way our tax credits are structured, the lower income groups benefit more in Manitoba than they do in Ontario.

You look at wealthier provinces such as Alberta, in Alberta they pay approximately \$200 more in taxes for a \$15,000 income. That's in wealthy Alberta. British Columbia, just about \$1,000, \$900-and-some additional taxes for a family earning \$15,000.00. It is quite astronomical, Mr. Speaker, when you look and you compare the level of services that we have in Manitoba and how we, through a tax system that was introduced, from the provincial side at least, by a New Democratic Government, manipulated somewhat - perhaps a big negatively, but not that much negatively - by an Opposition Conservative Government and now reinforced, once again, by a New Democratic Party Government who has given additional tax grants to the lowest income Canadians.

MR. SPEAKER: Order please. When this matter is next before the House, the honourable member will have 30 minutes remaining.

The Honourable Member for Niakwa.

COMMITTEE CHANGE

MR. A. KOVNATS: Thank you, Mr. Speaker. Before closing, I would like to propose a change on the Economic Development Committee, the Member for Swan River to replace the Member for Tuxedo.

MR. SPEAKER: The time being 5:30, I am leaving the Chair to return this evening at 8:00 p.m.

(French spoken; translation to follow in Vol. 13, 2 May, 1984)