



Third Session - Thirty-Fifth Legislature  
of the  
**Legislative Assembly of Manitoba**

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**DEBATES  
and  
PROCEEDINGS  
(HANSARD)**

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*Published under the  
authority of  
The Honourable Denis C. Rocan  
Speaker*



**VOL. XLI No. 8B - 8 p.m., MONDAY, DECEMBER 16, 1991**



**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Fifth Legislature**

LIB - Liberal; ND - New Democrat; PC - Progressive Conservative

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	LIB
ASHTON, Steve	Thompson	ND
BARRETT, Becky	Wellington	ND
CARR, James	Crescentwood	LIB
CARSTAIRS, Sharon	River Heights	LIB
CERILLI, Marianne	Radisson	ND
CHEEMA, Gulzar	The Maples	LIB
CHOMIAK, Dave	Kildonan	ND
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CUMMINGS, Glen, Hon.	Ste. Rose	PC
DACQUAY, Louise	Seine River	PC
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DEWAR, Gregory	Selkirk	ND
DOER, Gary	Concordia	ND
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ERNST, Jim, Hon.	Charleswood	PC
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NEUFELD, Harold, Hon.	Rossmere	PC
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STORIE, Jerry	Flin Flon	ND
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VODREY, Rosemary	Fort Garry	PC
WASYLYCIA-LEIS, Judy	St. Johns	ND
WOWCHUK, Rosann	Swan River	ND

## LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, December 16, 1991

The House met at 8 p.m.

### THRONE SPEECH DEBATE

**Mr. Speaker:** The honourable Minister of Justice who has three minutes remaining.

**Hon. James McCrae (Minister of Justice and Attorney General):** Mr. Speaker, in the moments remaining I would like to encourage and challenge honourable members opposite to make a profound statement. It has been said that there is an organic fusion between members of the New Democratic Party and members of the labour movement. That being the case, honourable members opposite lead thousands of people in our society. They lead thousands of people in Manitoba.

I ask honourable members opposite to make a positive move and a positive statement about violence. I ask them to join me individually and as a caucus in demanding the resignation or the removal of Daryl Bean, the President of the Public Service Alliance of Canada. If honourable members opposite do not do that, they have no credibility. They forfeit their opportunity to be a force against violence. We need to hear from the Leader of the Opposition (Mr. Doer), from Bob Rae, from Mike Harcourt, from Roy Romanow. We need to hear from Peter Olfert—

### Point of Order

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, I am not sure that the minister's remarks are in order. If he wants to issue challenges, we will certainly issue the same kind of public reply if this minister and this government will ask for the resignation of the Prime Minister of this country for uttering profanities in the House of Commons. If he wants to be sanctimonious, let him stand up and—

**Mr. Speaker:** Order, please. The honourable member for Flin Flon does not have a point of order. It is a dispute over the facts.

\* \* \*

**Mr. McCrae:** If the honourable member for Flin Flon would be serious for a moment he would understand

that we are talking about something different from a parliamentary obscenity. We are talking about a very, very important issue in our society, and the honourable member for Wellington (Ms. Barrett) knows what it is.

We need to hear from the people I have mentioned. We need to hear from Peter Olfert and from Susan Hart-Kulbaba. We need to hear from the teachers' union, the doctors' union, the nurses' union and all the others. Let them speak up for what is right. Failing this, Mr. Speaker, their lot will be reduced to remaining silent on the most basic issue of all, the right to live in peace and security.

**Mr. Gregory Dewar (Selkirk):** It is always a pleasure to join with my colleagues on the Speech from the Throne.

First of all, I would like to welcome you back, Mr. Speaker, to the new session and all my colleagues in the House on both sides of the Chamber. I would like to welcome the pages. I know you are going to encounter some interesting debate in this room, some of it memorable, some of it incredibly forgettable as well.

I just want to start off on a sad note. Selkirk will be probably the second rural community in Manitoba to get a food bank. Of course, we are pleased that one will be set up, but we are disappointed that one is needed. It will be modelled on the one that is in Beausejour, which I guess is the first food bank in rural Manitoba.

When we were recently out to Beausejour we had a chance to meet with the director of the food bank in Beausejour. He estimates that 10 percent of the users are small farmers and 15 percent are two-parent families where the main wage earner is unemployed. The vast majority, he said, about 75 percent of them are single parents who are either working or on social assistance.

As I stated earlier, we are in the process of setting up a food bank in Selkirk now. Of course, the closest thing we have had to a food bank in Selkirk has been the Christmas hampers. For the last four years I have helped deliver those on Christmas. It seems like every year our work load is getting heavier and heavier. The facts, unfortunately, bear that out.

The town had, it will be estimated, 400 requests for hampers this year in Selkirk, which is double from previous years. The municipal social assistance increased from September, 1990, to September, 1991, from 36 cases up to 52 cases; in October of 1990, 30 and in October of 1991, 53 cases. Almost a doubling of the case load in Selkirk.

Again it is not a very pretty sight there this festive season, as it were, in the community of Selkirk. It is not only there, of course. It is reflected throughout this province.

\* (2005)

Some of the issues I want to raise this evening deal specifically with Selkirk issues and some with the free trade, which we feel is a complete failure and has let Canadians and Manitobans down.

One of Selkirk's major employers, of course, is the Manitoba Rolling Mills. The high interest rate policy of the federal government and high dollar policies are very much a negative factor in the success of this employer since a lot of their product is exported to the United States. Again we met with them, and the management and the unions of the mill relate this as well to us.

Another concern is the Selkirk Mental Health Centre. When the Minister of Health (Mr. Orchard) closed the school of nursing there, it put many Selkirk residents out of work and took millions of dollars out of the economy. The minister always said, well, we will put a forensic unit in, and we are negotiating with the federal government for the forensic unit. Today, he refused to answer the question whether or not his negotiations are a success. There is concern within the Selkirk community that those negotiations are going nowhere and that we may not get that much needed, much touted forensic unit within the Selkirk Mental Health Centre.

The Red River, of course, is another issue of concern to Selkirk residents. Two weeks ago, the Clean Environment Commission held hearings in Selkirk to establish water quality objectives. I support the Department of Environment's very strong, very stringent water quality objectives. The mayor of Selkirk reinforced this position in their very strong presentation to the Clean Environment Commission.

Another concern, of course—there are two issues there. There is the larger issue of the cleanup of our waterways, and the other one is the problem Selkirk

residents encounter every time we turn on the tap, and that of course is the fact that right now we are drinking 35 percent of our water which is extracted from the Red River. It is treated nevertheless, but it does not convince a lot of people.

I was quite amused this summer, as many of us were, when the Minister of Natural Resources (Mr. Enns) jumped into the Red River. He went for a little paddle around, and he came out. By some of the comments that he has made in this House recently, I am afraid that the water has affected his ability to think. I was very pleased to see him here. He jumped into that river despite many warnings about the incredibly poor condition of the water.

It has always been my position that instead of spending his time splashing around in the Red, he should be working with his colleagues in the House, the Minister of Environment (Mr. Cummings), the Minister of Rural Development (Mr. Downey), to do something about the condition of Selkirk's drinking water. I know that several communities have signed an agreement with the provincial and the federal government called the Manitoba-Canada Partnership Agreement on Municipal Water Infrastructure for Rural Economic Diversification.

**An Honourable Member:** Good program.

**Mr. Dewar:** I agree. It is also called the Southern Development Initiative. There are quite a few communities that are qualified for it—Brandon, Dauphin, Morden, Portage, Selkirk, Steinbach, Teulon and Winkler—and we are still waiting in Selkirk for the agreement to be signed to give us the option of searching for new water sources and for upgrading our sewage system as well. So I call upon the Minister of Rural Development to fast track this process.

\* (2010)

Just recently, Altona and Teulon were beneficiaries of this particular program, and Selkirk is very, very anxious of course to sign up with this program. Selkirk is the only community of all of these communities that our drinking water is extracted from the Red. If you were at those community hearings last week, you realized the really, really poor state of the Red River and the high, high fecal coliform count leaving the city is incredibly unhealthy. I call upon the minister to work towards that end.

I want to make a comment on just these past few weeks. The Manitoba Telephone System

announced its earnings, and operating revenues for the first nine months of this year are down \$10 million from last year and net profits for that period are down \$21.5 million. I think it represents about a 60 percent decrease in revenues. I am going to quote from the quarterly report published by the Manitoba Telephone System: Long-distance rates increased by 6 percent to 369,000 during the first nine months as compared to 348 last year. However, total long-distance revenues were reduced by \$15.4 million because of reductions in long-distance rates to points outside of Manitoba.

Now, of course, part of the reason for the decreasing revenues is the fact that there are less people phoning outside of Manitoba and the long-distance rates are decreased. Right now, before the Canadian Radio and Television Commission, there is an application by a company called Unitel. Unitel is interested in competing for the long-distance competition for business between the different provinces. Unitel is a company owned by CNCP and Ted Rogers. A few years ago they made a similar application to the CRTC for approval to compete and their application was denied. Once again, they are trying again. The company actually got larger and, once again, they are trying.

It seems that the only winners in this game, in this competition game, are big business users who use long-distance in bulk and competitors such as Unitel. It is interesting that Bud Sherman, the former chairman of the CRTC, concluded in a study that he did, that nine out of 10 Canadians would end up paying more, paying higher telephone bills under this kind of competition. Some, of course, would even end up paying 40 percent more. Most Canadians, as we are all aware, 92 percent of them are already satisfied with their telephone service. It is unfortunate this government has listened to big business and responded in their favour.

Unitel's application—this is where the minister of telephones makes their point—is that they approve of competition as long as it is on an even playing field, that Unitel does not receive its 15 percent reduction. Not only is Unitel asking to compete, but they want to come in at a lower rate than the present situation. -(interjection)- I wonder what the Liberals are on this particular issue?

Of course, in exchange for lower long-distance rates, higher costs and the quality of service will decrease. It is estimated that in the past five years, in the United States, local telephone rates have

increased by 44 percent and long-distance rates declined by 9 percent. The American experience is a very negative experience and we hope that Unitel's application is not approved of—this year anyway.

I would like to speak right now about some of the problems we are facing in Manitoba here and the sorry state of our provincial economy. Of course, unemployment figures for October, Mr. Speaker, showed that there were 12,000 fewer jobs this year than the last year. Eleven percent of Manitoba's work force are jobless, and Winnipeg's unemployment rate was 10.6 percent in October and ranked nine out of 11 of the major Canadian cities surveyed. Winnipeg had the highest unemployment rate of any western Canadian city.

It has been estimated that more and more welfare recipients are people who are using food banks as their primary source of nutrition, and it has been estimated that 40 percent of the users of food banks are children. In the city of Winnipeg here alone—as I was stating in Selkirk, of course, their increased rates in social assistance mirror those here in Winnipeg—and last month the welfare stats for the city of Winnipeg showed almost 12,000 active cases. Three years ago when the Filmon government was elected, that number was 7,000. So it is a very negative picture.

\* (2015)

Capital investment is down. Manufacturing in Manitoba—there is no surprise there—down. Value of manufacturing shipments in Manitoba year to date, nine out of 10, 10 out of 10, 10 out of 10, unfortunately again a very dismal picture, Mr. Speaker. Our decline in manufacturing is the worst in Canada, and it is spread among all sectors of manufacturing, printing and publishing.

The greatest declines were in machinery, electrical, electronic products, nonmetallic minerals, primary metals and clothing and paper products. The number of jobs have declined by 2.5 percent in the first nine months of 1991, compared to the same period last year.

The unemployment rate, and this is in manufacturing, is averaging at 8.5 percent, which is the lowest. This last quarter revealed the highest unemployment ever recorded.

Investment in this province is virtually stagnant. Retail trade is down and this government continues to hang onto its belief that free trade and its

hands-off policy will get us out of this incredibly desperate situation.

Gordon Ritchie, who is a former chief negotiator for the U.S.-Canada Free Trade Agreement said in the *Financial Post*, March 25, 1991: The adverse impact of the valuation of the Canada dollar has 20 times the impact of free trade.

Free trade, Mr. Speaker, will create—here's another one. Who said this? Here's a quiz. Free trade will create more jobs, especially for our young people, put more money into the pockets of our workers. The Economic Council of Canada predicts that free trade will provide 250,000 additional jobs. -(interjection)- No, Brian Mulroney actually, election speech, October 1988.

We will look at the jobs that were created. In 1987—this is the monthly average—it was 40,000; 1988, 26,000; 1989, 13,000; 1990, minus 7,500. Eight hundred thousand jobs were created in Canada during the two years before the free trade, while only 37,000 were created in the last two years.

In fact, from January of 1989—I guess that is the first month that free trade came into effect—to the end of June, 1991, the increase in the number of Canadians unemployed exceeded 450,000. So Brian Mulroney was only 700,000 out. It is unfortunate that the net benefactors of this are the working people in this country. Of course, the Bank of Montreal predicts that our rate of unemployment will rise to 10.7 and 11.2 next year.

The projected unemployment rate in the 24 OECD countries is only 7.1 percent. The unemployment rate in Canada will likely be some 10.6 percent. Canada's unemployment rate in June was 10.5 when in the same month the U.S. rate had dropped to 7 percent. In the first year of the free trade, Canada's unemployment rate was 1.3 percent higher than the OECD average. In the second year, it was 2 percent higher, and in the third year, it will almost be 4 percent higher.

Again with free trade, the Department of Finance is now predicting a decline of 1 percent in real GDP for 1991, and a decline of 1.7 percent in final domestic demand. From March of 1990 to March of 1991, GDP in Canada—Gross Domestic Product—declined by 3.2 percent. Prior to that, our increase was well over 3 percent.

\* (2020)

John Crosbie once said when the year is over I think we will be able to get a pretty good indication

of what some of the effects of the Free Trade Agreement have been with respect to investment. Canadians were told that the Free Trade Agreement, of course would bring in new investment leading to increased economic activity, but, of course, unfortunately again, the true figures do not bear this out. The annual percentage changes in the growth rate of real business, nonresidential investment in Canada were, in 1987, 9.3 percent; 1988, 15.2 percent; 1989, 5 percent; 1990, negative 2.2 percent. Again, the estimated figure for this year is heading to a further decline of 6 to 10 percent.

Cedric Ritchie, who is the chairman and chief executive officer of the Bank of Nova Scotia—it is not often you will see us quoting a bank president—but, as he said, there is no doubt that Canadian firms are adjusting to the Free Trade Agreement, the problem is that too many are adjusting by leaving Canada.

That situation, of course, is reflected in a lot of our own businesses here in Manitoba, which have left. Corporate profits are down after taxes. -(interjection)- That is true. Yes, in the first six months of this year, almost 7,000 Canadian businesses went under.

**An Honourable Member:** Now you know why they are not paying their taxes.

**Mr. Dewar:** Free Trade. Free Trade.

**An Honourable Member:** Oh, did I hear this right? He is in favour of the NDP legacy.

**Mr. Dewar:** Well, I am getting to that, do not worry.

Arthur Donner, he was quoting a Toronto Dominion Bank economist, Dr. Douglas Peters: By early 1990 high interest rates had made a recession virtually inevitable. The combined impact of the Free Trade Agreement, the high interest rates and the high dollar has decimated our Canadian economy. Michael Wilson once said, bilateral free trade with the United States is simplistic and naive. It would only serve to further diminish our ability to compete internationally. He said that when he was running for leadership of the federal Conservative Party. Of course, he was echoing his eventual winner. Of course, Mulroney was saying the same things at the same time.

Brian Mulroney, Mr. Speaker, has lied to Canadians about free trade and its impact on our social programs. This is what he said: There is

absolutely nothing in the Free Trade Agreement that will stop the Government of Canada from maintaining all its social programs, all its regional development programs, but strictly nothing. We are going to maintain all of our social programs.

Now, of course, we see the erosion of our Medicare. We see the erosion of our federal transfer payments. Does Canada spend too much on social programs as Mulroney and big business are telling us? Canada's social spending is actually slightly below average for the industrial nations. Italy and France and Germany and the United Kingdom all spent considerably more than Canada on social programs as a percentage of GDP.

I just want to add now some comments about the tax system. From fiscal years 1985 to 1992 personal taxes in Canada have increased on an average rate three times faster than corporate taxes. Personal income taxes to the federal government will have risen some \$17 billion, corporate taxes \$2 billion. Personal income tax and the percentage of all federal government budgetary revenues in 1981: personal income tax, 40 percent; corporate tax, 12. Now, personal income tax at 46.9, corporate tax at 10 percent—it is on its way down.

\* (2025)

I have another quote here. It deals specifically with banks. From 1980 to 1987 Canada's banks made profits of over \$7.6 billion and paid federal tax at the rate of 2.4 percent. Now, Mr. Speaker, we have Felix Holtmann going after the banks in this country. I do not think I would want Felix leading the charge against anything. Nevertheless, the banking institutions—when you consider that the banks in this country were some of the most generous corporate donors to our friends in the government and in the second opposition.

(Mr. Jack Penner, Acting Speaker, in the Chair)

The Bank of Montreal donated \$40,000 to the Tories, \$43,000 to the Liberals. The Bank of Nova Scotia: \$40,000 to the Tories; \$40,000 to the Liberals. Canadian Imperial Bank of Commerce: \$44,000 to the Tories; same amount to the Liberals. That is fair. Toronto Dominion Bank, \$44,000—well done, you guys, well done. Rogers Communications, of course, donated \$50,000 to the Tories and only \$5,000 to the Liberals. It probably has something to do with the fact that Unitel's application is before the CRTC now. A very cynical

individual would say there would be a connection there, but not myself.

The member for Inkster (Mr. Lamoureux), I saw him on the picket line at CKND the other week there. That is very good. He was very pleased with himself. He was marching up and down with all those union radicals. He never did figure it out though. Does Izzy Asper not own that company? I am sure Izzy will be very pleased when he finds out you are out there supporting the workers.

Mr. Acting Speaker, I would just like to conclude like my other colleagues have done this evening and wish everyone else here the best in the festive season and a peaceful and prosperous new year.

Thank you, Mr. Acting Speaker.

**Hon. Darren Praznik (Minister of Labour):** Mr. Acting Speaker, it is always an honour as a citizen of Manitoba to represent the people of an electoral district and to be in this House to rise to participate in this debate on a motion of thanks to His Honour the Lieutenant-Governor for the Speech from the Throne. Indeed, it is an honour to represent the people of this province and the constituency of Lac du Bonnet. I consider it a great honour. I know each of us comes to this House with a sense of responsibility for the people who sent them here to this Chamber. We come to this House, I think, with a sense of the circumstances in which not only our province, but our country, indeed most of the world now finds itself, a fairly deep recession, one that is probably one of the deepest we have had in a number of decades.

Mr. Acting Speaker, why I raise that is that I think all of us who have participated in this debate, indeed our constituents, the people of this province, recognize, many in very real ways, the difficult times that we are now experiencing.

I enjoyed very much listening to the comments from the member for Selkirk (Mr. Dewar), because they typify in many ways the kind of debate that many are engaged in in this Chamber and, indeed, many are engaged in in the general public venue of the province at this time not only in our province, but throughout the country and I think most of the world.

It is very easy to drift into a debate in which one thinks or tries to make it appear that there is a simple solution to the problems that are faced or to cite some platitudes or philosophy that only if this change took place, if only a government did this, if only this one little thing happened here, or maybe

three or four things happened, everything would be much better and it would be rosy and we would not be in these circumstances.

Mr. Acting Speaker, I think all of us wish that it was in fact that simple, that a little tinkering here or there, a few little adjustments here or there and there would be prosperity for all and everything would be wonderful.

\* (2030)

Mr. Acting Speaker, I as do perhaps the member for Selkirk (Mr. Dewar), certainly the member for Inkster (Mr. Lamoureux), the member for St. James (Mr. Edwards), the member for Radisson (Ms. Cerilli), come to this House on the younger side of our lives in or around the age of 30, the member for Kildonan (Mr. Chomiak) as well, and that gives us perhaps a little bit of a unique perspective.

When I come to this Chamber, Mr. Acting Speaker, as -(interjection)- Well, the member for The Maples (Mr. Cheema) makes a comment. He said perhaps myself and the member for Inkster are the exception to that change. I will accept that, because I think there is some truth to that. I thank him for the commentary.

I say, Mr. Acting Speaker, when you come to this Chamber having not been in one's adult and active life over the last 20 or 30 years, really coming into the beginning of one's adult life and active life in the community, you have a different perspective than those who have lived through those very interesting decades of the late '60s, '70s and certainly the '80s. What I find so difficult coming into public life at this particular time is the legacy that we have all been left over the last 20 years.

If one looks right across this country, it is a legacy to one degree or another that has been left to all Legislatures right across the country, in fact, indeed to most countries around the world to one degree or another. Mr. Acting Speaker, we come into government, we come into responsibility in government, at a time when our province faces an unprecedented debt load, unprecedented debt load. Perhaps the closest we have ever come to it is the period during the second world war when we were financing a world conflict.

We come into a period where our cumulated debt, most of it accumulated throughout the 1970s and 1980s, has resulted in where nearly somewhere between \$550 million to \$600 million a year out of a provincial budget of some \$5 billion is now going to

interest payments simply to service that debt. Mr. Acting Speaker, I remember if one goes back, in 1981 that cost was about \$79 million. What happened during that period?

It happened in other provinces, not just here, but it happened in Manitoba where the solution to economic difficulties was to go out and borrow largely from pension funds vast amounts of money, pour it in, supposedly kick start the economy. Everything was wonderful until the money worked itself through the system over a number of years, and we were back where we were. We have been doing that in the '60s, in the '70s and in the '80s. Governments have been doing it all over the world.

The result, Mr. Acting Speaker, is we have never dealt with some of the fundamental issues in our economy that had to be addressed. We borrowed ourselves some temporary prosperity. We put the debt off to another generation of legislators, another day, another set of taxpayers. We had some good times. We celebrated and said what great magicians we are, that we are able to control our economy even though thousands of years of history before us have proven that economies are not controlled by governments or single acts of governments or those kind of operations.

We have fooled ourselves for 20-30 years that we had reached a point in our understanding of economics where we could prevent depressions and recessions, where we could prevent difficult times, where we could make prosperity flow by just simply controlling the money supply, borrowing money, spending money and supposedly kick starting the economy into action. In those 30 years we really failed to address many of the fundamental problems that 30 years ago, 20 years ago, were small but today have grown: problems of competitiveness, problems of infrastructure in our economy, problems of adaptation of technology, of efficiencies in our labour force.

Mr. Acting Speaker, we also, if I may suggest, made another, I think, fundamental error during that 20 or 30 years. We came to build in our population a sense that government could be the answer to all problems. We built a sense that government, the public treasury, could solve all of our ills, that government somehow was a vehicle that could look after all needs of our population. We built that right across this country into the psyche of our population.



The reality of it is, of course, spending vast amounts of money is not the answer unless you can, of course, afford the money. We cannot afford it. We never could, so we borrow. -(interjection)-

The member for Radisson (Ms. Cerilli) made some comment. I am not quite sure what she is saying.

**An Honourable Member:** What is money?

**Mr. Praznik:** What is money, she said. She raises a very good issue, because half way around this world there are numerous countries who had money that supposedly represented something. They had a wonderful economy that has now collapsed, absolutely collapsed, because what was missing from this economy where everybody had a job, where there was money flowing, was there was no production of goods or services, or production that was insufficient to meet the demand, the need that was there. The wealth was not there to support that flow of money.

Just think, in our lifetime, based on the last couple of years, we have seen the total collapse of a system of government that said it could provide all things to all people equally. It has collapsed so totally that I do not think five years ago anyone could have predicted it.

I am not trying to get into an ideological debate with members opposite, but the member for Radisson asked what is money. Ultimately, if we are to spread wealth, if we are to take wealth to purchase services that our populations need or want, that wealth has to be generated.

Mr. Acting Speaker, if you will look at our national economy, provincial economy over a number of decades, and you look at how we have been investing or not investing in many of the important parts of wealth generation, it has not been there. That is not just to blame government and the public sector. Indeed, currently in my own constituency we are undergoing a very difficult time with Abitibi-Price in a mill in which its owners, after they were bought by Olympia and York, did not make the kind of investment in the technology in that plant that was needed to keep it current. Now we have a mill, although still profitable, the next labour force is outdated in its equipment—not outdated necessarily in the technology, but outdated in that the equipment is worn out—and the investment from its owners was not there.

My constituents worked very hard to build Canary Wharf in London and help buy Bloomingdales, but the investment in that operation to keep it current was not Bloomingdales.

**An Honourable Member:** Canary Wharf.

**Mr. Praznik:** Okay, Canary Wharf. There was a shopping mart in New York, or a department store that Olympia and York purchased, but the investment was not there for a host of reasons. It was not there and today we are left with trying to salvage that operation and the 800 productive jobs that are needed for the 800 families that depend on it.

So, Mr. Acting Speaker, over 20, 30 years, we have largely ignored, as a nation those infrastructure issues, we have ignored them. We have borrowed our way into prosperity two, three, four times and all of those bills have now come home to those of us who sit in this Legislature today, to those who sit in other Legislatures, to those who sit in the Parliament of Canada.

As we debate where we should be heading, and as we debate where we have to go, we realize that simplistic platitudes, quick analysis of statistics, are not the answer.

Mr. Acting Speaker, our colleagues in the Liberal Party, members on this side, can pull out day after day after day newspaper reports from the province of Ontario—have we forgotten Ontario and the New Democratic Party benches? Have we forgotten Ontario? This was the province that just a short year ago was going to borrow its way into prosperity.

\* (2040)

Where we as a Legislature authorized the borrowing of some \$300 per Manitoban last year—and I am not proud of that number, because I do not know if we can afford it at the end of the day—the Province of Ontario borrowed \$1,100 a citizen—\$1,100 per citizen and threw that money out. Did it make a difference? Canadian Press article, December 6, '91, Premier Bob Rae was handed the keys, and I quote: 300 closed firms yesterdays by an irate Toronto businessman who charged that companies would still be operating if it was not for the NDP government.

Day after day, Mr. Acting Speaker—

**An Honourable Member:** Where was that?

**Mr. Praznik:** That was from Canadian Press, report on Ontario. We can pull out articles of how the party

that was supposed to get the economy going struggles day after day with the same kind of difficulties that Manitoba and every other province faces.

Mr. Acting Speaker, what do we hear now from the treasurer of Ontario, Mr. Laughren? We hear now that he is trying ways to shave a billion dollars off of his expenditure because he cannot afford it. I would hope that my colleague the Minister of Finance (Mr. Manness) would forgive me for saying this, but if you start listening to the content of Mr. Laughren's speeches now, he is getting to sound more and more like Clayton Manness.

If the members across the way would listen to their colleagues in British Columbia and Saskatchewan, who have recently been elected by the people of those provinces, what are they talking about? They are talking about getting their finances under control. They are talking about reducing government expenditure. They are talking about controlling their expenditure.

**Hon. Donald Orchard (Minister of Health):** Who are they?

**Mr. Praznik:** The Minister of Health asks who they are, and I will tell him for the edification of the House. It is the New Democratic Party governments of Saskatchewan and British Columbia, because members like the member for Selkirk (Mr. Dewar) can get up in this House, and he can say, things are tough, are they not? Well, we could do better.

Mr. Acting Speaker, New Democratic Party governments in this country, even probably the most naive in Ontario, after a year at the controls realize that they do not have control. They are now coming to the realization that virtually every other government in Canada has come to, including the two newly elected New Democratic Party governments in western Canada.

Mr. Acting Speaker, the people of Manitoba, the people of Canada are not stupid. Ultimately, you can talk the rhetoric for a while. Ultimately, you can say there is some simple answer, but they know, most people know, that 30 years of borrowing, 30 years of not dealing with some of the fundamental issues in our economy, 30 years of trying to buy ourselves short-term prosperity has brought us where we are today.

They know that -(interjection)- well, you know the member for Radisson (Ms. Cerilli), again from her chair, makes some other comments. The member

for Radisson holds herself out to be a very strong advocate on the environment. I am not going to debate that issue today, whether she is or is not successful at it, but I think even she has to realize that if we as a society are going to address our environmental issues, which I think are critical, that is going to take another draw on the collective wealth that we all produce. That is going to mean less money available for other things.

Environmental cleanup, environmental protection, new technology to protect the environment all have a cost, and that is all going to work itself into the costing of products and goods. It is going to require more wealth out of the system. I think we are all prepared because we know we have to make that expenditure, but we have to realize it is not going to come from thin air. It is not going to come from some imaginary comment—what is money, piece of paper. It is going to come from real wealth, goods and services and products that are produced by real people.

Mr. Acting Speaker, that is going to inevitably take up a larger share than it has over past years of the total wealth pie. It is an expenditure we make, but the member for Radisson (Ms. Cerilli) and members opposite have to realize that, and I do not know if they always do. There is no doubt that we are in a period that is indeed difficult and is going to take a great deal of work, very hard work, to get out of. There is no doubt about that.

Mr. Acting Speaker, if you look at what is happening all around the world, there are other factors besides just our borrowing that are in this play. We have referred to eastern Europe and the dramatic changes that are taking place there. Eastern Europe, the former nations that composed the Soviet Union, will require in the next decade massive amounts of capital to rebuild their infrastructure and their economy. I would point out to members opposite the great environmental tragedy of those countries where enterprises that were supposedly there, run by governments that were supposedly to protect the interests of their citizens, polluted with much greater levels and with much less regard for their inhabitants than anywhere else probably on the globe.

All of that now has to be cleaned up. Their infrastructure has to be rebuilt, and they will draw, inevitably, particularly the former countries of the Soviet Union who have access to a fair bit of natural resources and wealth that they will be able to sell to

pay for the capital required, but they will draw on the world capital markets over the next decade like we could never imagine to rebuild their economy. We are in those same capital markets.

We also know that in the last decade our abilities in communication and transportation have increased like we could never believe 20, 30 years ago, that today with a fax machine off a cellular phone in a car in Winnipeg you can virtually send a document anywhere around the world. Communication information moves faster than ever before. We also know that transportation—goods can be moved faster and more inexpensively than ever before. We also know that people are far more mobile than they ever have been before. All of those factors are now coming into play.

When I hear the member for Selkirk (Mr. Dewar) talk about free trade agreements, Mr. Acting Speaker, he makes it sound as if we have the ability to put up some kind of wall around Canada in which we can be an oasis of prosperity with 26 million people while the rest of the world flounders around us. His constituents, as the constituents of many of us, every day, every week, vote on those questions by heading south to shop. One of my colleagues talks about tax revolts from time to time—(interjection)—Well, the member for Concordia (Mr. Doer) talks about the GST. Talk about double talk, Mr. Acting Speaker, on one hand spend but no taxing. The member for Concordia was part of a cabinet that brought in one of the greatest amount of tax increases on the people, and the people told him what they thought about it very shortly after they brought in that budget a year or so later.

\* (2050)

We can talk about all of those issues, but the fact is some 33, 35 cents of every dollar the federal government spends whereas 12, 13 cents of every dollar we spend is now going for interest payments, and it has been there. It has been growing over 20 years, 30 years, and there is no denying that. We now spend as a province, what? For every \$1 we spend on new highway construction we spend—what?—five to six dollars on interest payments.

Oh, the member for Concordia (Mr. Doer) says "what?" He should read the budget that he is so critical of all the time. Mr. Acting Speaker, it says exactly, that is it; \$5 billion budget, it is over \$500 million in interest payments. Our total capital

construction for new highways was \$107 million. Mr. Acting Speaker, it does not take too long, and you do not have to be too swift to do the mathematics. When you look at what provincial funding is for education, and you compare that to debt, it will not be too long before we will be spending more money on interest than we are on education.

Those numbers are there. They are there, and perhaps we all have some collective responsibility for that, but they are there and you cannot ignore them. You cannot fudge them away. If your option, as members opposite may propose, is that you go out and you borrow another half-billion or a billion dollars and you dump it into the economy, you do exactly what has been done in this province, and many others, over 30 years. You will buy yourself a short-term blip and the debts will come home.

Mr. Acting Speaker, all members opposite have to do is look at the province of Newfoundland, which is probably on the leading edge of provincial finance in Canada, and you see what happened there last year. Their bankers came in and said to them: You will layoff 2,100 public servants. You will eliminate 600 vacancies in your public service and you will layoff 1,200 people in the health care field.

The member for Concordia (Mr. Doer) makes his comment. He makes light of the suffering in the province of Newfoundland. He makes light of those numbers and he makes light of the difficult situation we all have to deal with. You know, what has been lacking in this debate for members of the New Democratic Party, has been one concrete suggestion on how to deal with a complex issue. They say resign. Mr. Acting Speaker, if we were to do that, and they were to have these benches, I can tell you something. Within six months, in fact, even faster than the conversion of the NDP in Ontario, they would probably be making a speech very similar to mine from these benches. If they did not, they would be greater fools than I ever thought they were.

It is very easy to make light of these issues and it is very easy to think that there is a simple answer. When I came into this Chamber in 1988, I thought I knew something. Every day that I have sat here, particularly on the cabinet bench and what I have learned and what I have seen transpire—certainly, I have lots to learn. Every day I learn, but I tell you, Mr. Acting Speaker, the realities of being in government in 1991 and 1992 are probably far different than any government has had to face in 20

or 30 years, simply because our ability to go and borrow and do the short, quick fix is not there.

The member for St. Boniface (Mr. Gaudry) blames it on the New Democratic Party government. I would think that I would agree with him that there is a fair bit of blame, but I would also say that across this country governments of all political stripes, during that period to a lesser or greater degree did many of the same things. -(interjection)- The member for Selkirk (Mr. Dewar) refers to Grant Devine. Grant Devine borrowed lots of money, probably far more than certainly his voters wanted him to, and the New Democrats came to power saying, we have to get spending under control.

Mr. Acting Speaker, I am not going to be critical of those efforts because they are part of this country. Those who, over there, would defend that kind of point of view in Ontario raises another issue. This country, in its transfer payments—we as a recipient of transfer payments—and we have not always been. Perhaps as a younger Manitoban I am somewhat ashamed that our province which some 20 years ago was a contributor to the overall national pot is now a province that has been taking out of that pot. I wish we were a contributor.

The province of Ontario, the province of Alberta and the province of British Columbia have been the engines that have traditionally, over the last 10, 15 years, fueled that pot of national wealth from which we have drawn. The member for Selkirk (Mr. Dewar) and other members across the way have talked about the importance of equalization, the importance of transfer payments. That wealth was created somewhere; it was created in Ontario, Alberta and British Columbia.

If you look at the economies in those provinces, other than in the lower mainland of B.C., parts of the interior were fueled by money from the Orient, things were really booming. The wealth generators are not there.

Every time the province of Ontario reduces its capacity and digs deeper and deeper into the hole and follows a path that will ultimately put it in the same position as every other province, the ability to have a pot from which to draw is more and more limited. That great pot of money, which from time to time has been dragged out to bind this country together, is now in great doubt. What happens when those dollars are not there I am not sure, but it is a very scary, very scary scenario.

Mr. Acting Speaker, I appreciate that members of this House come to this Chamber with different political philosophies. I appreciate they come with different economic philosophies, but we live in a common world that is changing very rapidly. We have a host of difficulties that we are all facing. Some call them challenges, some call them difficulties, others may say catastrophes, but we will have to deal with them. We will have to deal with them in a meaningful way.

I would think that when we enter the next century, which is not too far away, we will look back upon this period as an economic revolution. That is not to say that the end result is going to be wonderful, but it is going to be a revolution, and our economies will look far different at the end of this decade than they did going into it.

It means that we are definitely going to have to be working harder than probably we ever have had to do before to do before to find our place in that kind of economy. It is not easy. It is not simplistic. -(interjection)- Well, the member for Wellington (Ms. Barrett) says, things have not happened, but I will tell the member for Wellington, if you look at Manitoba, some of our strengths, one of them has been time zones, being in the centre of the nation. That is one of the reasons we have attracted UPS here with 500 new positions, as well as Royal Trust moving their computer section to Winnipeg, 200 positions. Well, saying to the member for Wellington, it is not all easy, and it is not all going to be successes.

Mr. Acting Speaker, the point that I have been trying to make is, it is going to be a very difficult role ahead for all Manitobans. There is no simple answer. It is going to be position by position, job by job, company by company that we are either to keep here or attract here. It is going to be market niche by market niche, and it is going to -(interjection)- Well, the member says, so many thousand unemployed. Yes. What is her solution and the solution of her party? Borrow some money, throw it out there, and when it is all gone pay the bills.

I do not think members opposite heard the Minister of Finance (Mr. Manness) the other day when he reminded them that we are still paying interest on the Jobs Fund of 1981, '82, '83—we are still paying interest. In fact, I would hazard to guess that we have paid more in interest payments on that Jobs Fund borrowing than we actually spent on the Jobs Fund. -(interjection)-

Mr. Acting Speaker, the member says, we were the first out of the recession. Well, that was one hundred and some million dollars, I believe, that the Jobs Fund borrowed to do that—\$200 million. That cost us \$20 million a year. So, if she would tone her demands down \$20 million we would have \$20 million more to spend now. It sounds great and it sounds wonderful to borrow and throw the money out, but the bills have come home in a bigger way than ever before.

\* (2100)

Mr. Acting Speaker, members opposite can pretend that that is not there, but it is there and it is very real. The New Democrats in Saskatchewan realize that. The New Democrats in British Columbia are starting to realize that. The New Democrats in Ontario, who we are not quite sure what they realize yet, but they are talking a very different tune today than they were this time last year.

It seems to me the only New Democrats who do not understand those realities are the ones who are across from us, and maybe they never will. They sit in opposition today on those benches, and I say this to the member for Wellington (Ms. Barrett), they sit on those benches because that Jobs Fund in 1981, '82, '83, the debt from that Jobs Fund had to be paid for, and her former colleagues had to bring a budget into this House in 1987 with the largest tax increases Manitobans had had, a budget that took families earning \$25,000 a year and said they were wealthy Manitobans and taxed them to pay the interest on that debt. That is one of the major reasons why they went down to defeat in 1988, because of that budget. So if the member for Wellington thinks that you can be immune from the results of that kind of expenditure, ask her colleagues who lost their seats in 1988 if it did not catch up to them. Ask her colleagues if having to borrow that money year after year after year was worth it and in the best interests of the province.

Mr. Acting Speaker, the times we are facing are going to require all of us to be honest with the realities facing the province. They are going to require us to examine ourselves as Manitobans and what we can offer and what we can sell in a North American and a world marketplace. They are going to require us to work harder than probably we have ever had to do before, and someone who is 30 who grew up through very soft times in the '70s and '80s—I say that is a tough challenge. It is going to require us to rethink our expectations of

government; it is going to require us to rethink how we do things in a very fundamental way.

Those who come to that debate with simplistic platitudes, those who come to that debate with a sense that some simplistic little tuning here or the same solutions that have been used over 30 years and have put us in this mess today, those who come to that debate with those answers may find an audience here or there, may find some group who will follow simply because they need a command to follow to or a drummer to beat the drum, but ultimately that will not solve the problems of this province. Ultimately, I think that will be rejected by the voters of this province and, most importantly, that kind of simple solution will not position this province in such a way that it can produce the kind of wealth that we all want it to in the decades ahead.

Mr. Acting Speaker, I thank you for the opportunity to participate in this debate. It is always certainly a pleasure to be in the House. Thank you.

**Mr. Dave Chomlak (Kildonan):** It is indeed a pleasure to have the opportunity to rise in the Throne Speech Debate again in this Legislature.

I cannot help but reflect and perhaps comment on some of the comments of the member for Lac du Bonnet (Mr. Praznik) and just reflect on perhaps a few of his comments as they related to the preoccupation in his speech with the words "simplistic" and "simple solutions." I find it, indeed, ironic that the member would keep reminding this House that simplistic and simple solutions are not the order of the day, but his entire speech was based on a simplistic one-dimensional approach to the province and the province's problem. That is the preoccupation, the total consumption—if I can use that bad pun—with the debt situation and with every single aspect of government approach being so totally consumed by a preoccupation with the debt to the exclusion of things that are happening around them, that are happening outside the halls of this Legislature: things like Winnipeg's unemployment rate being 10.6 percent in October—nine out of 11 in Canadian cities; Winnipeg having the highest unemployment rate of any western Canadian city. The labour force decreased by 2,000 in October over September, unemployment figures steadily increasing; 40 percent of regular food bank users are children; stats for welfare show 12,000 active cases in the city of Winnipeg.

If the member for Lac du Bonnet (Mr. Praznik) and the members on that side of the House would only take the time to walk out of the halls of this Legislature and to talk to the people of Manitoba, they would see indeed simplistic approaches and simplistic solutions are not the order of the day. That is, in fact, one of the problems we are having in this economy, and that is one of the problems that we are having in Manitoba, that we have Conservative regimes that are ideologically bent and can only see one thing: debt and debt reduction to the exclusion of all else and all other considerations.

The member talked about the realities and the dilemmas facing government. I do not doubt his sincerity; in fact, I realize the fervour with which he feels his convictions, but let us not kid ourselves, government today is as difficult as government in any other time and in any other place in history. Those are always difficult decisions to make. They always have been and they always will continue to be, but one of the problems that I think is facing this government is the fact that—I agree with the member for Lac du Bonnet (Mr. Praznik), problems are complex.

In fact, they are so complex in the 1990s with telecommunications and with the easy flow of capital, referenced by the member for Lac du Bonnet, that by the time a government comes into power if it does not have a plan in place, and if it does not hit the road running, by the time it is two or three years in its mandate, it is far too late to do anything and to make any effective change. That is, in fact, what has happened. This government has lurched on from a minority situation, stumbled into a majority situation in the last campaign, and really is caught in a situation where it has no idea what it should do and feels totally overwhelmed.

We on this side of the House say, if you are overwhelmed, if you do not know how to approach the problems, then why not give over the levers of government to people who will do something, who are willing to confront the problems facing us, not sit back and take a *laissez faire* attitude, the sort of situation where members opposite say: Oh, we are in a difficult situation; we have got nothing; we cannot help it?

I was very disappointed with the Speech from the Throne. Normally, one can take out of the Speech from the Throne some semblance of direction and some kind of overall plan, but this Speech from the Throne was sorely lacking. In fact, in my experience

in the Legislature, this is probably the worst Speech from the Throne I have ever had occasion to hear—no sense of direction, no sense of take charge, no plan. In fact, it amounted to a series of rehashed old Conservative promises, most of which have gone unfulfilled and which, I venture to guess, will continue to go unfulfilled.

They have gone unfulfilled, Mr. Acting Speaker, because the government seems to have no idea of how—and the comments of the member for Lac du Bonnet (Mr. Praznik) illustrative of what should be done and what can be done in our economy, what can be done in our province to deal with the serious problems facing us today and facing us in the province of Manitoba.

Mr. Acting Speaker, since the last time we have met, I have had the opportunity of meeting with hundreds, literally hundreds of constituents in Kildonan. If I had to pick out one comment or one theme that has been related to me by the constituents of Kildonan, it is basically the fact in a minority situation this government was all right, but in a majority there appears to be a—they have appeared to have gone out of touch, almost a trace of arrogance.

\* (2110)

It is not put that way by my constituents; it is something like: Well, we liked them in a minority situation, but in a majority we cannot stand them. That has been the feeling that I have felt on the doorstep all summer and all fall, and it has continued up until last week, the sense that this government has lost touch with the feelings and with the aspirations of most Manitobans.

I want to reference some other development that I have seen take place in this Chamber most recently, and that has been the unholy alliance that seems to have been formed between members opposite, the government, and the members of the Liberal Party. There seems to be a new bond forming, which is probably most appropriate for the Liberal Party and the Conservative Party that they are naturally coming together as they do, Mr. Acting Speaker.

I see the bond forming in three major areas. First, it is, of course, the Mexican free trade agreement, something that members opposite, the government side, support and now that the Liberal Party is proposing to take a proactive approach to Mexican

free trade, we see now the bonds and the alliance forming between those two parties.

The GST, something that has been opposed by members on this side of the House, has now flip-flopped. I am not certain where the Liberal Party stands on this issue. Their leader, Mr. Chretien, has now backed off from his previous commitment to get rid of the GST, and I am not certain where the Liberal Party stands, but typically it is tied in closely with the Conservative Party.

The third area is something that we have canvassed many times in this House, and that is the commitment of the Liberal Party together with the Conservative Party towards aid to private schools. So there you see, on three fundamental issues, three fundamental economic and social issues, we have the Liberal Party siding with the Conservative Party to support measures which we on this side of the House are diametrically opposed to, Mr. Acting Speaker.

I referenced the fact that I had an opportunity to canvass in my constituency on a regular basis, and one of the most disparaging things that I have come across, is there is not a single street in the Garden City, West Kildonan area that I have not come across someone who is unemployed, which is kind of surprising, but I have become, unfortunately, used to it. It is not something that one is used to seeing traditionally in this province, but it is true in a suburban area that every single street that I canvass on every occasion that I go out, I meet at least one, maybe several individuals who are unemployed, and I think this speaks volumes, Mr. Acting Speaker, as to what is happening in our economy and where the lack of direction is coming from, and the results of that.

Over and over again on the doorstep I hear constituents look to me and say: Why is this government letting us down? Why are taxes so high? Why are services so poor? Why are things not working out the way they used to? Why is there so much unemployment?

I am not going to sit here and offer simplistic solutions as the member for Lac du Bonnet (Mr. Praznik) states, but I would like to offer the suggestion that clearly there is a role that can be played by government, and this government is completely abdicating its role. It is stepping aside, as the Leader said and as the Premier (Mr. Filmon) stated, step-aside government and let the private

sector do it all. The history of Manitoba has not been one that has been built when the government has said we will simply step aside and let private investment take over totally.

Mr. Acting Speaker, in our economy we require the involvement, we require assistance, we require a role to be played, and this government by abdicating its responsibility is letting us down.

One area that I think best typifies and shows by way of example, Mr. Acting Speaker, the lack of direction, the lack of leadership and the lack of performance by this government is in the area of public education. It is clear in my mind and in the minds of most Manitobans that the public education system is valued, perhaps only next to the health care system in this province, as something that the public desires quality from and insists on having a first-class system. They are clearly not getting it from this government.

What we are getting from this government is a lack of direction, ad-hoc policy and stumbling from public relations announcement to public relations announcement, and nothing more typifies the failure of this government than does the recent announcement of the no-name funding model.

Mr. Acting Speaker, for nearly four years now we have been waiting for a funding model to be put forward by this government that would help reduce some of the inequities being experienced in the public education system. What do we have? Last year the minister promised me a model by Christmas last year. Then the model was going to be out by the springtime. Then the model was going to be out by the summertime, and finally after much prodding, the minister released the no-name funding model that still, as we speak in this Chamber, is being revised.

As budgets are being prepared by school divisions, this model is still being revised and still is not placed, and we have waited four years for this? We consumed two assistant deputy ministers for this? For a model that somehow the minister terms himself a Robin Hood by taking from the so-called rich school divisions and giving to the poor school divisions; and yet, just by way to illustrate, those rich school divisions that the minister is taking away from, last year themselves in the funding allocation given to them by the province, were forced to reduce 118 positions. Those were the rich divisions. Can

you imagine what happened in the so-called poor divisions?

That is only talking about numbers, and I wish we had lists of programs that have been cut back and courses that have been taken away and classes that have been amalgamated as a result of this government's funding model, and it would give a more appropriate illustration of the inequities that are being placed on top of the already inequitable education funding model.

**An Honourable Member:** You have not asked the question on funding yet.

**Mr. Chomlak:** Mr. Acting Speaker, the minister comments that I have not asked the question on funding yet. I asked more questions on funding last session and got more nonanswers probably than at any time in the history of this Chamber. I remember asking the minister, would the funding model be out before Christmas, 1990? The minister was upset that I would query whether or not the funding model would be out before 1990. We barely got it out before Christmas, 1991, and it is still being revised, and it is still not in place, and it is still inequitable.

We asked for public discussion of the funding model, and the only way we were able to get any kind of funding model was we were forced to release a copy of the minister's advisory committee to the public to allow for some kind of discussion because the minister was sitting on it the months of June, July, August, September, October, November. So the minister should not comment because the fact is he has hardly released any information on the funding model, a mere six pages. School divisions are confused. The system does not know what is happening.

The model, if the minister ran any projections over four or five years—we have run projections to show it is going to create serious difficulties for all school divisions, so the minister is lucky we are not asking any questions on the funding model.

\*(2120)

Mr. Acting Speaker, in fact, if I were to ask questions on the funding model, I would like to ask the minister how his announcement could state that special needs funding would increase by 40 percent. According to the minister's own figures last year, special needs funding from the government amounted to something like \$50 million. If the minister were in fact increasing special needs funding in the model, as he indicated in his press

release, then special needs funding would be increasing by something like \$20 million to \$25 million, and we in fact know that that is not happening because no new money is going into that model.

So, even in the minister's own press release dealing with special needs funding, there are serious gaps in the model, and as I indicated earlier, the model is being changed as we speak. School divisions are feeling the effect of this lack of direction, this lack of policy. I would hope that the minister will run some projections on the model to see what the effect is two or three years down the road, because we are stuck with this model. If the minister ever does get into implementing it, we are stuck with it, and it would be better to know in advance what is going to happen and what the effects will be on many constituencies, particularly rural constituencies.

Mr. Acting Speaker, probably one of the biggest myths perpetrated by this government is this concept that no taxes have been increased in this province. That is one of the biggest myths, and I do not expect that my comments will prevent members opposite from continuing to make claims about their lack of tax increases, but the fact is it is not true. It is not only untrue; it is unfair. In fact, members opposite should own up and admit the fact that tax increases, particularly at the local level, have been astounding, and probably the greatest in Manitoba history.

In fact, last year in the Estimates debate, the Minister of Education (Mr. Derkach) admitted to me that taxes at the local level of the school boards had increased at an average of 10 percent last year alone, and that only accounts for school board taxes. That does not account for the increase in municipal taxes. That does not account for the increase of local taxes that are increasing at greater rates.

I would just like to return to the funding model briefly and return to the comments of the minister that somehow the funding model is taking from rich divisions and giving to the poor. If I look at the school divisions, the eight for example in the city of Winnipeg, if I look at what happened to them last year, the so-called rich divisions, we see that St. James School Division had to have a property tax increase of 4.4 percent, cutting 31 jobs; Seven Oaks, property tax increase of 5.6, cutting 43 jobs; Transcona-Springfield, property tax 16.5 percent



increase, cutting 22 jobs; River East, property tax increase of 8 percent, cutting 29 jobs; St. Boniface, tax increase 5.8 percent, cutting 15 to 18 jobs; Fort Garry School Division, et cetera.

Those are the so-called school divisions that are the rich divisions. They are losing money this year, millions of dollars this year as a result of this government's inequitable, unfair, inappropriate and not well thought out I might add, funding model that they have put in place and that the school divisions are going to be burdened with for some time.

Mr. Acting Speaker, recently the minister received a report from MASS, MTS, MASBO, MAST, that the Manitoba Association of School Trustees, titled, Re-examining Delivery of Services to Children. It postulated something that we on this side of the House have advocated for some time, and that is a co-ordinated approach to many government programs. I am sorry to say that even the late and very ungreat Social Credit government of B.C. went further ahead and was much further ahead in terms of co-ordinating services to school children than this government did in terms of their protocols.

I would be happy to provide the minister with examples of what they did even in B.C. under the Socreds for his review, but we have not gone very far with respect to co-ordinating services to children.

I would urge the minister to re-examine, as I have done on occasion over and over again in the Estimates, to re-examine their approach to how they deliver services to children as one means of not only increasing the amount of services available to children, but in fact it is a way of pumping money into the system that otherwise might not be there from perhaps other programs and the like.

Mr. Acting Speaker, I am astounded, turning to other matters, because I see that my time is limited, at the very slow pace and the attitude adopted by the Minister of Justice (Mr. McCrae) with respect to the Aboriginal Justice Inquiry. During the Estimates process when I queried the minister about the Aboriginal Justice Inquiry, on every single occasion when I asked him a question, the minister said, wait until the Aboriginal Justice Inquiry report came out.

We waited, and that report came out, and what happened? What did the minister say when the report came out? The minister said, quote, it is only the opinion of two men, Mr. Acting Speaker—it is only the opinion of two men.

We are still waiting for action, even one single solitary action on the Aboriginal Justice Inquiry. We have seen none yet, and we wait for it. Even the imposition of the special investigation unit that was recommended in the Aboriginal Justice Inquiry, even something as simplistic and as important as that has not been done. No action has been taken by this minister, and we will continue on this side of the House to query the government.

(Mr. Speaker in the Chair)

Mr. Speaker, these are things that the government was so-called committed to, but when the report came out it became the opinion of two men, and no action has been taken. We on this side of the House think it is shameful. It is shameful, the lack of action that has been taken by this government on the Aboriginal Justice Inquiry, and we will hold them to account to see if, in fact, they will follow up on any of the recommendations of that particular body. We will be taking them to task and looking for a response on that.

I had the occasion of commenting on the recent events in eastern Europe, most specifically about commenting of the independence of Ukraine. I was very pleased to be an elected member of this Legislature of Ukrainian background when those very momentous occasions occurred and to have had the opportunity of speaking to that in this Chamber. For that I am greatly honoured, Mr. Speaker, to have had that occasion and that opportunity to do so.

In my closing comments, perhaps I will reference some of the comments that I referred to earlier as they related to the particular lack of action and inactivity of this government. I would like to say that if members opposite are not prepared to do anything, if they are not prepared to take the levers of the economy and try to effect some positive change in the province of Manitoba, then members on this side of the House are prepared to do so.

If the members on the opposite side are prepared to let the economy slide and continue to slide into recession, I can indicate to members on the opposite side that this party is prepared to take some kind of action, to take the controls and to try to help the lives of the average Manitobans, the lives that are being affected every day by the stagnation of this economy and the lack of activity of the members on that side of the House, Mr. Speaker, the members on that side of the House who adopt

the attitude of the Premier to stand aside and to let business and investors make all of the decisions. We know what happens when we let Tory business and investors make all of the decisions in our society.

We have record high unemployment in this province. We have record high welfare rates in the city of Winnipeg. We have record high unemployment. We are 10 out of 10 on almost every economic indicator. If we let this stagnation continue, if we let this idealess, do-nothing government continue, by the time this government finishes its mandate, it may be impossible to turn this province around. So I urge members—

**Mr. Speaker:** Pursuant to Rule 35.(3), I am interrupting proceedings in order to put the question.

On the motion of the honourable Leader of the Opposition (Mr. Doer), that is the amendment to the motion for an Address in Reply to the Speech from the Throne, do members wish to have the amendment read?

**Some Honourable Members:** Read it.

\* (2130)

**Mr. Speaker:** THAT the motion be amended by adding to it the following words:

But this House regrets that:

1. since assuming office, after September 1990, this government has been both arrogant and extreme in its disregard for the people of Manitoba;
2. this government's inaction, in particular in our key transportation sector, will lead to further economic tragedy, adding even more families to the rolls of those Manitobans who are unemployed or on welfare;
3. this government's inaction has been especially harmful in northern Manitoba where we are now experiencing unprecedented levels of joblessness;
4. this government has taken no initiative to guarantee farmers receive the real cost of production and, instead, has supported inadequate farm programs which continue to force family farmers off their land and is standing aside as the federal government abandons the Port of Churchill;
5. this government is allowing the essential health, education and social services

Manitobans cherish to erode steadily through financial neglect and shortsighted and uncoordinated policy approaches;

6. this government, despite its words to the contrary, has failed to implement the vital recommendations of the Aboriginal Justice Inquiry;
7. this government's environmental strategy is based on public relations and lacks a vision for the long-term stewardship of our natural resources;
8. this government continues to support the Mulroney Free Trade Agreement and remains silent on the proposed North American Trade Deal with Mexico.

And that this government has thereby lost the trust and confidence of the people of Manitoba.

Is it the pleasure of the House to adopt the motion? All those in favour of the motion, please say yea.

**Some Honourable Members:** Yea.

**Mr. Speaker:** All those opposed, please say nay.

**Some Honourable Members:** Nay.

**Mr. Speaker:** In my opinion, the Nays have it.

**Mr. Steve Ashton (Opposition House Leader):** Yeas and Nays, Mr. Speaker.

**Mr. Speaker:** Call in the members.

The question before the House is on the motion of the honourable Leader of the Opposition (Mr. Doer), that is the amendment to the motion for an Address in Reply to the Speech from the Throne.

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

### Yeas

Alcock, Ashton, Barrett, Carr, Carstairs, Cerilli, Cheema, Chomiak, Dewar, Doer, Edwards, Evans (Brandon East), Evans (Interlake), Friesen, Gaudry, Harper, Hickes, Lamoureux, Lathlin, Maloway, Martindale, Plohman, Reid, Santos, Storie, Wasylycia-Leis, Wowchuk.

### Nays

Connery, Cummings, Dacquay, Derkach, Downey, Driedger, Ducharme, Enns, Ernst, Filmon, Findlay, Gilleshammer, Helwer, Laurendeau, Manness, McAlpine, McCrae, McIntosh, Mitchelson, Neufeld, Orchard, Penner, Praznik,

Reimer, Render, Rose, Stefanson, Sveinson, Vodrey.

**Mr. Clerk (William Remnant):** Yeas 27, Nays 29.

**Mr. Speaker:** I declare the motion lost.

Is it the will of the House to call it ten o'clock? The hour being 10 p.m., this House now adjourns and stands adjourned until 1:30 p.m. tomorrow.

### **ERRATUM - No. 1**

On Thursday, December 12, 1991, Hansard No. 6, in his reply to the Speech from the Throne, the member for Sturgeon Creek (Mr. McAlpine), on page 247, right hand column, in the paragraph immediately following the time \*(1620) was incorrectly quoted. The quote properly reads: "Where strong winds blow, good timbers grow."

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**Monday, December 16, 1991**

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